

Act 854 of the 1989 Regular Session.

Act 854

HB1463

By: Representative Bryan

"AN ACT TO AMEND CHAPTER 55 OF TITLE 26 OF THE ARKANSAS CODE OF 1987 ANNOTATED BY ADDING A NEW SUBCHAPTER 11 TO AUTHORIZE THE COMMISSIONER OF REVENUES TO ENTER INTO THE INTERNATIONAL FUEL TAX AGREEMENT OF JULY, 1987 WITH OTHER JURISDICTIONS, TO AID IN THE ADMINISTRATION AND COLLECTION OF TAXES IMPOSED UPON THE CONSUMPTION OF FUELS USED IN VEHICLES OPERATED ON AN INTERSTATE BASIS; AND FOR OTHER PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Chapter 55 of Title 26 of the Arkansas Code of 1987 Annotated is hereby amended by adding a new subchapter 11 to be named International Fuel Tax Agreement and which shall read as follows:

"26-55-1101. Definition. As used in this act, the term 'Commissioner' shall mean the Commissioner of Revenues, Department of Finance and Administration, state of Arkansas, or his authorized agent.

26-55-1102. Authority to enter Agreement - Audits not precluded - Identification decal costs.

(a) The Commissioner is authorized to enter into the International Fuel Tax Agreement of July, 1987 with jurisdictions outside this state to provide for cooperation and assistance among member jurisdictions in the administration and collection of taxes imposed upon the consumption of all fuels used in vehicles operated or intended to operate interstate. Provided, however, that such agreement shall not be effective until stated and agreed to in writing and filed with the Commissioner.

(b) The agreement authorized by this act may provide for determining the base jurisdiction for fuel users, users' record requirements, audit procedures, exchange of information, eligibility for licensing, definition of qualified motor vehicles, definition of motor fuels, bond requirements, reporting requirements, reporting periods, methods for collecting and forwarding fuel taxes and penalties to another jurisdiction, and other provisions to facilitate the administration of the agreement.

(c) No agreement authorized by this act shall preclude the Commissioner from auditing the records of any person subject to the provisions of the Motor Fuel Tax Law or Special Motor Fuels Tax Law [Ark. Code Ann. 26-55-101 through 26-56-504 (1987)], as amended.

(d) For the purposes of this act, the amount necessary to recover reasonable administrative costs for issuance of a vehicle identification decal is hereby determined to be that amount required to be paid for the distinctive marking under Section 6 of Act 112 of 1953 [Ark. Code Ann. 26-55-708 (1987)], as amended.

26-55-1103. Persons subject to Agreement provisions.

Upon and after the date on which the International Fuel Tax Agreement of July, 1987 becomes effective, every person who holds a valid license issued by a member jurisdiction of such Agreement shall be subject to the provisions of such Agreement, which provisions shall prevail in the case of any conflict with the provisions of the Motor Fuel Tax Law [Ark. Code Ann. 26-55-101

through 26-55-1004 (1987)] or the Special Motor Fuels Tax Law [Ark. Code Ann. 26-56-101 through 26-56-504 (1987)]. Provided, however, that for all persons other than those holding a valid license issued by a member jurisdiction of the International Fuel Tax Agreement of July, 1987, the provisions of the aforesaid Motor Fuel Tax Law and Special Motor Fuels Tax Law, as amended, shall be and remain fully applicable."

SECTION 2. Section 16 of Act 462 of 1989 is hereby amended to read as follows:

"Section 16. In order to provide a clear and orderly transition between Act 813 of 1983 and this Act, the following shall apply:

(a) Currently active enterprise zones will remain effective until such time as the local jurisdiction decides they no longer wish to have the area as a zone or until the end of the program, whichever occurs first, and

(b) Enterprise Zone businesses which qualified under Act 813 of 1983 but do not qualify under this Act shall not be entitled to any income tax credit for employees hired after June 30, 1991, and shall not be entitled to any sales or use tax refund for purchases made after June 30, 1991. Enterprise Zone businesses which qualified under Act 813 of 1983 but do not qualify under the provisions of this Act may continue to carry forward existing income tax credits or claims for refund pursuant to Act 813 of 1983. Enterprise Zone businesses which qualified under Act 813 of 1983 and qualify pursuant to this Act shall continue to participate as an Enterprise Zone business under this Act."

SECTION 3. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.

APPROVED: March 22, 1989

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