

As Engrossed: 3/5/91, 3/27/91

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Senator Mike Todd**

A BILL ACT 1091 OF 1991
SENATE BILL 579

For An Act To Be Entitled

8 "AN ACT TO PROVIDE THAT A COUNTY MAY LEVY A SALES TAX NOT
9 TO EXCEED TWO PERCENT (2%) ON FOOD AND LODGING FOR THE
10 PAYMENT OF BONDS ISSUED OR INDEBTEDNESS INCURRED BY THE
11 COUNTY PUBLIC FACILITIES BOARD FOR WILDLIFE MANAGEMENT
12 AREAS OR PUBLIC RECREATIONAL FACILITIES; THAT THE COUNTY
13 PUBLIC FACILITIES BOARD MAY TRANSFER LAND TO THE ARKANSAS
14 GAME AND FISH COMMISSION; AND FOR OTHER PURPOSES."

15

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

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18 *SECTION 1. Any county which does not levy a tax under Arkansas Code 14-*
19 *20-112 (County Gross Receipts Tax on Hotels and Restaurants) and in which*
20 *there is not located a city which levies a tax under Arkansas Code 26-75-602*
21 *or Arkansas Code 26-75-701 may, by ordinance of the county quorum court, levy*
22 *a tax in the amount necessary for the payment of bonds issued or indebtedness*
23 *incurred by the County Public Facilities Board for the purposes prescribed in*
24 *this act but in no event to exceed two percent (2%) upon the gross receipts or*
25 *gross proceeds from either or both of the following:*

26 *(a) Gross receipts or gross proceeds from the renting, leasing,*
27 *or otherwise furnishing of hotel, motel, or short term condominium rental*
28 *accommodations for sleeping, meeting, or party room facilities for profit in*
29 *such city, but such accommodations shall not include the rental or lease of*
30 *such accommodations for periods of thirty (30) days or more;*

31 *(b) Portion of gross receipts or gross proceeds received by*
32 *restaurants, cafes, cafeterias, delis, drive-in restaurants, carry-out*
33 *restaurants, concession stands, convenience stores, grocery store-restaurants,*
34 *and similar businesses as shall be defined in the levying ordinance, from the*
35 *sale of prepared food and beverages for on or off-premises consumption, but*
36 *such tax shall not apply to such gross receipts or gross proceeds of fraternal*

1 organizations qualified under Section 501(c)(3) of the Federal Internal
2 Revenue Code.

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4 SECTION 2. If petitions requesting an election are filed, the quorum
5 court levying a tax under this act shall submit the question of the levying of
6 the tax to the electors. The petitions must be signed by not less than five
7 hundred (500) electors of the county and must be filed with the quorum court
8 within thirty (30) days after the adoption of the ordinance levying the tax.

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10 SECTION 3. (a) In any county levying a tax as authorized in this act,
11 the tax so levied shall be paid by the persons, firms, and corporations liable
12 therefor and shall be collected by the advertising and promotion commission of
13 the levying county or by a designated agent of the commission in the same
14 manner and at the same time as the tax levied by the Arkansas Gross Receipts
15 Act of 1941, 26-52-101 et seq. The advertising and promotion commission or
16 its designated agent shall transmit monthly to the Public Facilities Board the
17 revenues collected to be used as prescribed in this act.

18 (b) The person paying the tax shall report and remit it upon forms
19 provided by the commission, and as directed by the commission. The rules,
20 regulations, forms of notice, assessment procedures, and the enforcement and
21 collection of the tax under the Arkansas Gross Receipts Act of 1941, 26-52-101
22 et seq., shall, so far as practicable, be applicable with respect to the
23 enforcement and collection of the tax levied pursuant to the authority of this
24 act. However, the administration and enforcement, and all actions, shall be
25 by, and in the name of, the commission through the proper commission officials
26 or agents.

27 (c) Any county levying a tax as authorized in this act shall create a
28 county advertising and promotion commission to be composed of seven (7)
29 members, as follows:

30 (1) Four (4) members shall be owners or managers of businesses in
31 the tourism industry, at least three (3) of whom shall be owners or managers
32 of hotels, motels, or restaurants, and all of whom shall be appointed by the
33 governing body of the county for staggered terms of four (4) years; and

34 (2) Two (2) members of the commission shall be members of the
35 governing body of the county and selected by the governing body; and

36 (3) One (1) member shall be from the public at large and shall be

1 nominated by the county judge and approved by the governing body of the county
2 for a term of four (4) years.

3 (d) In any county which levies a tax as authorized in this act and
4 creates a commission as provided in this section, the four (4) tourism
5 industry representatives appointed by the governing body of the county, at the
6 first meeting of the commission, shall draw lots for terms so that:

- 7 (1) One (1) of the members will serve for a term of one (1) year;
- 8 (2) One (1) shall serve for a term of two (2) years;
- 9 (3) One (1) shall serve for a term of three (3) years; and
- 10 (4) One (1) shall serve for a term of four (4) years.

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12 SECTION 4. Revenues produced from the tax levied under this act are
13 hereby pledged to the payment of principal of and interest on bonds issued or
14 other indebtedness incurred by the County Public Facilities Board for the
15 purpose of providing all or part of the funds for the construction,
16 reconstruction, extension, equipment, acquisition, or improvement of wildlife
17 management areas or public recreational facilities, including funds used to
18 match federal funds or to purchase land for the construction of fishing lakes
19 or wildlife management areas by the Arkansas Game and Fish Commission.

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21 SECTION 5. Any tax levied under this act shall cease to be collected
22 when the indebtedness has been paid or redeemed. It is recognized that the
23 tax cannot practically be stopped at the exact time the indebtedness is paid
24 or redeemed, so nominal excess may result. Therefore, any surplus shall be
25 transferred to the county general fund.

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27 SECTION 6. A County Public Facilities Board may transfer land to the
28 Arkansas Game and Fish Commission with or without compensation, provided that
29 the Game and Fish Commission agrees to develop a wildlife management area or
30 to construct, stock, and maintain a public fishing lake thereon.

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32 SECTION 7. All provisions of this act of a general and permanent nature
33 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
34 Revision Commission shall incorporate the same in the Code.

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1 SECTION 8. If any provision of this act or the application thereof to
2 any person or circumstance is held invalid, such invalidity shall not affect
3 other provisions or applications of the act which can be given effect without
4 the invalid provision or application, and to this end the provisions of this
5 act are declared to be severable.

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7 SECTION 9. All laws and parts of laws in conflict with this act are
8 hereby repealed.

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10 /s/Todd

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12 APPROVED: 4-9-91

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