

Stricken language would be deleted from and underlined language would be added to present law.
Act 757 of the Regular Session

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

As Engrossed: H2/21/11 S3/23/11

A Bill

HOUSE BILL 1369

5 By: Representatives Shepherd, Wright, Vines, Bell, Collins-Smith, J. Burris, Deffenbaugh, Hammer,
6 Harris, Hickerson, Hubbard, Jean, Sanders, Steel, Stubblefield, Westerman, Woods, Wren, D. Altes,
7 Branscum, Catlett, Eubanks, Gillam, Hall, S. Malone, Mauch, G. Smith, Walker, Williams, *Allen, Baird,*
8 *Biviano, T. Bradford, Carnine, Carter, Cheatham, Clemmer, Collins, Cozart, Dale, J. Dickinson, J.*
9 *Edwards, English, Garner, Gaskill, Hobbs, Hopper, D. Hutchinson, Hyde, Ingram, Johnston, Kerr, King,*
10 *Lampkin, Lea, Lenderman, Mayberry, McCrary, McLean, D. Meeks, S. Meeks, Murdock, Nickels, B.*
11 *Overbey, Perry, Post, Ratliff, J. Roebuck, T. Rogers, Slinkard, T. Steele, Summers, T. Thompson, Tyler,*
12 *Wagner, Wardlaw, Webb*
13 By: Senators G. Jeffress, S. Harrelson, J. Hutchinson
14

For An Act To Be Entitled

15 AN ACT TO CREATE A SALES TAX HOLIDAY FOR CLOTHING,
16 CLOTHING ACCESSORIES OR EQUIPMENT, SCHOOL SUPPLIES,
17 SCHOOL ART SUPPLIES, AND SCHOOL INSTRUCTIONAL
18 MATERIAL; AND FOR OTHER PURPOSES.
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Subtitle

22 TO CREATE A SALES TAX HOLIDAY FOR
23 CLOTHING, CLOTHING ACCESSORIES OR
24 EQUIPMENT, SCHOOL SUPPLIES, SCHOOL ART
25 SUPPLIES, AND SCHOOL INSTRUCTIONAL
26 MATERIAL
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30 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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32 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended
33 to add an additional section to read as follows:

34 26-52-444. Sales tax holiday.

35 (a) As used in this section:

36 (1) "Clothing" means an item of human wearing apparel suitable



1 for general use for which the gross receipts or gross proceeds paid for the
2 item of clothing is less than one hundred dollars (\$100);

3 (2) "Clothing accessory or equipment" means an incidental item
4 worn on the person or in conjunction with clothing for which the gross
5 receipts or gross proceeds paid for the item of clothing accessory or
6 equipment is less than fifty dollars (\$50);

7 (3) "School art supply" means an item commonly used by a student
8 in a course of study for artwork;

9 (4) "School instructional material" means written material
10 commonly used by a student in a course of study as a reference and to learn
11 the subject being taught; and

12 (5) "School supply" means an item commonly used by a student in
13 a course of study.

14 (b) The gross receipts or gross proceeds derived from the sale of the
15 following items are exempt from the gross receipts tax levied by the Arkansas
16 Gross Receipts Act of 1941, § 26-52-101 et seq., and the compensating use tax
17 levied by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.,
18 every year from 12:01 a.m. on the first Saturday in August and ending at
19 11:59 p.m. the following Sunday:

20 (1) Clothing;

21 (2) Clothing accessory or equipment;

22 (3) School art supply;

23 (4) School instructional material; and

24 (5) School supply.

25 (c) The Department of Finance and Administration shall promulgate
26 rules to implement this section.

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28 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
29 General Assembly of the State of Arkansas that clothing school children and
30 buying school supplies is very costly; that the cost of these items is always
31 increasing; that to help defray the cost of purchasing these items, a sales
32 tax holiday is necessary; and that this act is immediately necessary to
33 ensure that families are able to enjoy this exemption when purchasing school
34 clothes and supplies for school. Therefore, an emergency is declared to exist
35 and this act being immediately necessary for the preservation of the public
36 peace, health, and safety shall become effective on:

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(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.

/s/Shepherd

APPROVED: 03/29/2011