

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

A Bill

HOUSE BILL 1221

5 By: Representatives Sabin, Shepherd, Warren, Richey, M. Hodges
6

For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING THE SALES AND USE
9 TAX EXEMPTION FOR SALES BY A CHARITABLE ORGANIZATION;
10 AND FOR OTHER PURPOSES.
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Subtitle

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14 TO AMEND THE LAW CONCERNING THE SALES AND
15 USE TAX EXEMPTION FOR SALES BY A
16 CHARITABLE ORGANIZATION.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 26-52-430(b), concerning an exception to
22 the sales tax exemption for charitable organizations if the charitable
23 organization competes with sales by a for-profit business, is amended to read
24 as follows:

25 (b) A sale by a charitable organization does not compete with a sale by
26 a for-profit business if:

27 (1) The sales transaction is conducted by a member of the
28 charitable organization and not by ~~any~~ a franchisee or licensee;

29 (2) All the proceeds derived from the sales transaction go to the
30 charitable organization; and

31 (3) The sales transaction is not a continuing one and is held not
32 more than three (3) times a year; ~~and~~

33 ~~(4) The dominant motive of the majority of purchasers of the~~
34 ~~items sold is the making of a charitable contribution, with the purchase of~~
35 ~~an item being merely incidental and secondary to the dominant purpose of~~
36 ~~making a gift to the charitable organization.~~



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2 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the
3 first day of the calendar quarter following the effective date of this act.
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6 APPROVED: 03/27/2017
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