

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

A Bill

SENATE BILL 181

5 By: Senators T. Garner, B. Davis
6 By: Representatives McCollum, Pilkington
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING THE SALES TAX
10 HOLIDAY; TO EXEMPT CERTAIN ELECTRONIC DEVICES DURING
11 THE SALES TAX HOLIDAY; TO DECLARE AN EMERGENCY; AND
12 FOR OTHER PURPOSES.
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Subtitle

16 TO AMEND THE LAW CONCERNING THE SALES TAX
17 HOLIDAY; TO EXEMPT CERTAIN ELECTRONIC
18 DEVICES DURING THE SALES TAX HOLIDAY; AND
19 TO DECLARE AN EMERGENCY.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 26-52-444 is amended to read as follows:
25 26-52-444. Sales tax holiday.

26 (a) As used in this section:

27 (1) "Clothing" means an item of human wearing apparel suitable
28 for general use for which the gross receipts or gross proceeds paid for the
29 item of clothing is less than one hundred dollars (\$100);

30 (2) "Clothing accessory or equipment" means an incidental item
31 worn on the person or in conjunction with clothing for which the gross
32 receipts or gross proceeds paid for the item of clothing accessory or
33 equipment is less than fifty dollars (\$50.00);

34 (3)(A) "Electronic device" includes without limitation:

35 (i) A calculator;

36 (ii) A cellular phone;



- 1 (iii) A computer mouse;
- 2 (iv) A computer monitor;
- 3 (v) A computer keyboard;
- 4 (vi) A desktop computer;
- 5 (vii) An e-reader;
- 6 (viii) A laptop computer;
- 7 (ix) A printer; and
- 8 (x) A tablet.

9 (B) "Electronic device" does not include a:

- 10 (i) Video game console, system, or device;
- 11 (ii) Television;
- 12 (iii) Music or video player; or
- 13 (iv) System, device, or peripheral designed or
- 14 intended primarily for recreational use;

15 ~~(3)~~(4) "School art supply" means an item commonly used by a
16 student in a course of study for artwork;

17 ~~(4)~~(5) "School instructional material" means written material
18 commonly used by a student in a course of study as a reference and to learn
19 the subject being taught; and

20 ~~(5)~~(6) "School supply" means an item commonly used by a student
21 in a course of study.

22 (b) The gross receipts or gross proceeds derived from the sale of the
23 following items are exempt from the gross receipts tax levied by this
24 chapter, and the compensating use tax levied by the Arkansas Compensating Tax
25 Act of 1949, § 26-53-101 et seq., every year from 12:01 a.m. on the first
26 Saturday in August and ending at 11:59 p.m. the following Sunday:

- 27 (1) Clothing;
- 28 (2) Clothing accessory or equipment;
- 29 (3) An electronic device;
- 30 ~~(3)~~(4) School art supply;
- 31 ~~(4)~~(5) School instructional material; and
- 32 ~~(5)~~(6) School supply.

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

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36 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the

1 General Assembly of the State of Arkansas that the coronavirus 2019 (COVID-
2 19) pandemic has had a negative impact on education and access to quality
3 education in the state; that many students in the state have been forced to
4 adapt to virtual education efforts as the result of school closures, personal
5 health risks, and other factors; that many Arkansas students do not have
6 access to the resources they need to adequately participate in these virtual
7 education efforts, which results in students either not receiving the full
8 benefit of the education schools seek to provide or prioritizing their
9 education over their health; that improving access to electronic devices that
10 will make virtual education programs more beneficial for Arkansas students
11 will improve education in Arkansas and will reduce the public health risk by
12 allowing students who need to participate in virtual education programs to do
13 so; that electronic devices should be immediately added to the sales tax
14 holiday for school supplies and related items that occurs in early August
15 each year to help prepare Arkansas students for virtual education programs
16 that may need to be used in the upcoming school year due to the continuing
17 pandemic; and that this act is necessary because it is incumbent upon the
18 state to make every effort to reduce public health risks during the pandemic
19 and to improve Arkansas students' access to public education in a timely and
20 effective manner. Therefore, an emergency is declared to exist, and this act
21 being necessary for the preservation of the public peace, health, and safety
22 shall become effective on July 1, 2021.

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25 **APPROVED: 4/27/21**
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