

Act 458 of the 1989 Regular Session.

Act 458

HB1076

By: Representative Jordan

"AN ACT AMENDING ARKANSAS CODE 14-164-338 AS ADDED BY ACT 25 OF THE FOURTH EXTRAORDINARY SESSION OF 1988 TO PROVIDE THAT THE PERIOD OF TIME IN WHICH A LEGISLATIVE BODY CAN LEVY A ONE PERCENT (1%) SALES AND USE TAX TO FINANCE CAPITAL IMPROVEMENTS, IF THE TAX IS APPROVED BY A MAJORITY OF THE ELECTORS, BE INCREASED FROM TWELVE (12) MONTHS TO TWENTY-FOUR (24) MONTHS; AND FOR OTHER PURPOSES."

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

SECTION 1. Arkansas Code 14-164-338 is hereby amended to read as follows:

"14-164-338. Alternative to issuance of bonds. If a legislative body determines that a one percent (1%) sales or use tax or any other local tax authorized by law would, if levied for no longer than twenty-four (24) months, produce sufficient revenue to finance capital improvements of a public nature without resorting to a bond issue, the legislative body may dispense with the issuance of bonds, levy the tax for no longer than twenty-four (24) months, and appropriate the resulting revenues, subject to paragraphs 2 through 4 of Section 4 of Article 12 of the Arkansas Constitution, provided:

(a) a majority of the qualified electors of the county or municipality voting on the question at a general or special election shall have approved the tax and the purpose of the capital improvements; and

(b) the revenues from the tax are expended solely for the purpose authorized by the electorate."

SECTION 2. 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 3. All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 4. It is hereby found and determined by the General Assembly that present law allows a one percent (1%) sales tax to be levied by the people to finance capital improvements and that the tax can be levied for no longer than twelve (12) months; that in some instances this method of financing is critical to the construction of local jails; that the twelve (12) month limit on the sales tax is inadequate to finance the construction of some local jails; that this Act would extend the time frame from twelve (12) months to twenty-four (24) months; and that this Act should be given immediate effect in order to authorize the voters to vote as soon as possible upon the issue of levying a one percent (1%) sales and use tax to be levied for twenty-four (24) months. Therefore, an emergency is hereby declared to exist and this Act being immediately necessary for the preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.

APPROVED: March 10, 1989

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