

1 **State of Arkansas**  
2 **80th General Assembly**  
3 **Regular Session, 1995**  
4 **By: Senator Mahony**

# A Bill

**ACT 772 OF 1995**  
**SENATE BILL 670**

## For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE § 26-54-105 PERTAINING TO  
9 THE PAYMENT OF CORPORATE FRANCHISE TAX UPON THE  
10 DISSOLUTION OF A CORPORATION; AND FOR OTHER PURPOSES."

### Subtitle

13 "AN ACT TO AMEND ARKANSAS CODE § 26-54-  
14 105 PERTAINING TO THE PAYMENT OF  
15 CORPORATE FRANCHISE TAX UPON THE  
16 DISSOLUTION OF A CORPORATION."

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

20 SECTION 1. Arkansas Code § 26-54-105 is amended to read as follows:

21 "26-54-105. Franchise tax reports.

22 (a) The Secretary of State shall furnish report forms to each  
23 corporation subject to the provisions of this chapter by mailing them to the  
24 corporation's last known address on or before February 1 of each year.

25 (b) Any corporation that fails to receive the report forms by March 20  
26 of the reporting year shall make written request for them to the Secretary of  
27 State on or before March 31.

28 (c) Each corporation subject to the requirements of this chapter shall  
29 file a franchise tax report with the Secretary of State which shows its  
30 condition and status as of the close of business on December 31, last  
31 preceding, and other information required by the Secretary of State. The  
32 franchise tax as computed on the report shall be remitted with the franchise  
33 tax report on or before June 1 of the reporting year.

34 (d) (1) Every corporation that dissolves shall be required to pay at the  
35 time of dissolution the franchise tax for the prior calendar year and pay at  
36 the time of dissolution the minimum franchise tax for the year in which

1 dissolved or withdrawn.

2           (2) Any newly formed corporation shall not be required to file a  
3 franchise tax report until the calendar year immediately following the  
4 calendar year of incorporation.

5           (e)(1) Where the par value of the shares of a corporation is required  
6 to be stated in any franchise tax report and the shares of the corporation are  
7 without par value, the number of shares shall be stated.

8           (2) For the purpose of computing the franchise tax prescribed by  
9 this chapter, such shares of no par value shall be considered to be of the par  
10 value of twenty-five dollars (\$25.00) per share.

11          (f) Each corporation which pays its tax computed by the full assessment  
12 of capital stock or property shall not be required to report the value of its  
13 real and personal property within or without this state.

14          (g)(1) Every franchise tax report shall contain the following  
15 statement: I declare, under the penalties of perjury, that the foregoing  
16 statements are true to the best of my knowledge and belief.

17           (2) This statement shall be signed by the president,  
18 vice-president, secretary, treasurer, or controller of the corporation."

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20          SECTION 2. All provisions of this act of a general and permanent nature  
21 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
22 Revision Commission shall incorporate the same in the Code.

23

24          SECTION 3. If any provision of this act or the application thereof to  
25 any person or circumstance is held invalid, such invalidity shall not affect  
26 other provisions or applications of the act which can be given effect without  
27 the invalid provision or application, and to this end the provisions of this  
28 act are declared to be severable.

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30          SECTION 4. All laws and parts of laws in conflict with this act are  
31 hereby repealed.

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33          SECTION 5. *EMERGENCY. It is hereby found and determined by the General*  
34 *Assembly that the process for collecting franchise tax from dissolved*  
35 *corporations should be revised in order to prevent unnecessary delay in*

1 collecting franchise taxes; that this act will require those dissolved  
2 corporations to remit taxes upon dissolution thereby preventing such revenue  
3 losses. Therefore, an emergency is hereby declared to exist, and this act  
4 being immediately necessary for the preservation of the public peace, health,  
5 and safety shall be in full force and effect from and after its passage and  
6 approval.

7 /s/Mahony

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9 APPROVED: 3-24-95  
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