

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas As Engrossed: H2/15/99 H2/17/99 H2/24/99 H3/1/99 S3/24/99

2 82nd General Assembly

A Bill

Act 1028 of 1999

3 Regular Session, 1999

HOUSE BILL 1548

4

5 By: Representatives Glover, Wood, House, Simmons, Courtway, J. Jeffress

6 By: Senators K. Smith, Russ, Bisbee, Bradford, Brown, Critcher, Edwards, Everett, Kennedy,

7 Mahony, Roebuck, Scott, Walters, Webb, Wooldridge

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10 For An Act To Be Entitled

11 "AN ACT TO LEVY AN ADDITIONAL EXCISE TAX ON MOTOR FUEL
12 OF ONE CENT (1¢) PER GALLON PER YEAR FOR A TOTAL OF
13 THREE (3) YEARS; TO LEVY AN ADDITIONAL EXCISE TAX ON
14 DISTILLATE SPECIAL FUEL OF TWO CENTS (2¢) PER GALLON
15 EFFECTIVE IMMEDIATELY, AND TO INCREASE SUCH ADDITIONAL
16 LEVY TO FOUR CENTS (4¢) PER GALLON EFFECTIVE ONE YEAR
17 AFTER THE EFFECTIVE DATE OF THIS ACT; AND FOR OTHER
18 PURPOSES. "

19

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Subtitle

21 "TO LEVY AN ADDITIONAL EXCISE TAX ON
22 MOTOR FUEL AND AN ADDITIONAL TAX ON
23 DISTILLATE SPECIAL FUEL. "

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

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28 SECTION 1. This Act may be referred to and cited as the "Arkansas
29 Distillate Special Fuel Excise Tax Act of 1999" and the "Motor Fuel Excise Tax
30 Act of 1999".

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32 SECTION 2. Arkansas Code 26-56-201, relating to fuel tax, is amended to
33 add to the end thereof a new subsection to read as follows:

34 "(e)(1) On and after the effective date of this act, in addition to the
35 taxes levied on distillate special fuels in this section and Arkansas Code 26-
36 56-502 and Arkansas Code 26-56-601, there is hereby levied an excise tax of

1 two cents (2¢) per gallon upon all distillate special fuels subject to the
2 taxes levied in those code sections. Effective one (1) year after the
3 effective date of this act, the additional tax levied by this subsection shall
4 be increased by an additional two cents (2¢) per gallon.

5 (2) This additional excise tax shall be levied, collected,
6 reported, and paid in the same manner and at the same time as is prescribed by
7 law for the levying, collection, reporting, and payment of the other
8 distillate special fuels taxes under Arkansas law.

9 (3) The additional tax levied by this subsection shall be taken
10 into consideration and used when calculating tax credits or additional tax due
11 under Arkansas Code 26-56-214."

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13 SECTION 3. Title 26, Chapter 55, Subchapter 10 of the Arkansas Code is
14 amended to add the following new section to the end thereof to be
15 appropriately numbered by the Code Revision Commission:

16 "(a) On and after July 1, 1999, in addition to the taxes levied on
17 motor fuel in 26-55-205, 26-55-1002 and 26-55-1201, there is hereby levied an
18 additional excise tax of one cent (1¢) per gallon upon all motor fuels subject
19 to the taxes levied in those code sections. On and after July 1, 2000, the
20 additional tax levied by this subsection shall be increased to two cents (2¢)
21 per gallon. On and after July 1, 2001, the additional tax levied by this
22 subsection shall be increased to three cents (3¢) per gallon.

23 (b) The tax shall be collected, reported, and paid in the same manner
24 and at the same time as is prescribed by law for the collection, reporting,
25 and payment of the other motor fuel taxes under Arkansas law.

26 (c) The additional tax levied by this section shall be taken into
27 consideration and used when calculating tax credits or additional tax due
28 under Arkansas Code 26-55-710."

29
30 SECTION 4.

31 (a) The additional taxes collected pursuant to this act shall be
32 considered special revenues and shall be distributed as set forth in the
33 Arkansas Highway Revenue Distribution Law, beginning at Arkansas Code § 27-70-
34 201.

35 (b) However, if the bond issue provided in the Arkansas Highway
36 Financing Act of 1999 is approved by the voters, the distillate special fuel

1 taxes collected pursuant to Section 2 of this act shall be distributed as
2 provided in the Arkansas Highway Financing Act of 1999.

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4 SECTION 5. Arkansas Code Annotated § 27-72-305(a) relating to the State
5 Aid Road Fund is amended to read as follows:

6 “(a)(1) There is created in the State Treasury a fund to be known as
7 the State Aid Road Fund to which the Treasurer of State shall transfer one
8 hundred percent (100%) of the revenues credited to the State Highway Special
9 Construction Account of the State Highway and Transportation Department Fund
10 each month until an aggregate total of thirteen million dollars (\$13,000,000)
11 each fiscal year is so transferred, there to be used for construction,
12 reconstruction, and improvements of the state aid road system.

13 (2) For the fiscal year beginning July 1, 2000, the limitation on
14 the transfer of funds in subsection (a) shall be increased to fifteen million
15 dollars (\$15,000,000);

16 (3) For the fiscal year beginning July 1, 2001, the limitation on
17 the transfer of funds in subsection (a) shall be increased to seventeen
18 million dollars (\$17,000,000);

19 (4) For the fiscal year beginning July 1, 2002, the limitation on
20 the transfer of funds in subsection (a) shall be increased to nineteen million
21 dollars (\$19,000,000); and

22 (5) For the fiscal year beginning July 1, 2003 and for all fiscal
23 years thereafter, there shall be no limitation on the transfer of funds to the
24 State Aid Road Fund.”

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26 SECTION 6. All provisions of this act of a general and permanent nature
27 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
28 Revision Commission shall incorporate the same in the Code.

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30 SECTION 7. If any provision of this act or the application thereof to
31 any person or circumstance is held invalid, such invalidity shall not affect
32 other provisions or applications of the act which can be given effect without
33 the invalid provision or application, and to this end the provisions of this
34 act are declared to be severable.

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36 SECTION 8. All laws and parts of laws in conflict with this act are

1 hereby repealed.

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3 SECTION 9. EMERGENCY CLAUSE. It is hereby found and determined by the
4 Eighty-second General Assembly that existing highway user revenue sources do
5 not provide sufficient funds for the necessary maintenance, repair,
6 construction and reconstruction of state highways, county roads and municipal
7 streets; that there is an immediate and urgent need for adequate state
8 highways, county roads and municipal streets; that the continued economic
9 expansion and growth of this state will be jeopardized if an adequate system
10 of state highways, county roads and municipal streets is not provided; and
11 that only by the immediate passage of this act may such vitally needed
12 additional funds be provided to solve these problems. Therefore, an emergency
13 is declared to exist and this act being immediately necessary for the
14 preservation of the public peace, health and safety shall become effective on
15 the date of its approval by the Governor. If the bill is neither approved nor
16 vetoed by the Governor, it shall become effective on the expiration of the
17 period of time during which the Governor may veto the bill. If the bill is
18 vetoed by the Governor and the veto is overridden, it shall become effective
19 on the date the last house overrides the veto.

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/s/ Glover

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APPROVED: 4/1/1999

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