

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  
2 82nd General Assembly  
3 Regular Session, 1999  
4

As Engrossed: S4/1/99  
**A Bill**

**Act 1289 of 1999**  
HOUSE BILL 2089

5 By: Representative R. Smith  
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### 8 **For An Act To Be Entitled**

9 "AN ACT TO REQUIRE THE DIRECTOR OF THE DEPARTMENT OF  
10 FINANCE AND ADMINISTRATION TO APPROVE EACH ORDINANCE  
11 LEVYING A CITY OR COUNTY SALES AND USE TAX; AND FOR  
12 OTHER PURPOSES. "  
13

### 14 **Subtitle**

15 "AN ACT TO REQUIRE THE DIRECTOR OF THE  
16 DEPARTMENT OF FINANCE AND ADMINISTRATION  
17 TO APPROVE EACH ORDINANCE LEVYING A CITY  
18 OR COUNTY SALES AND USE TAX. "  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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23 SECTION 1. (a) Every city or county that adopts an ordinance levying a  
24 local sales and use tax which is collected by the Director of the Department  
25 of Finance and Administration shall submit the ordinance to the Director at  
26 least forty-five (45) days prior to the election on the levy. The Director  
27 shall review the ordinance to determine if the proposed levy complies with all  
28 statutory requirements and limitations, including the existence of a single  
29 transaction definition, a separate levy of sales and use tax, and an  
30 authorized tax rate.

31 (b) The Director shall approve or reject the ordinance and provide  
32 written notice to the city or county within fifteen (15) days of receipt of  
33 the ordinance. If the ordinance is rejected, the Director shall note the  
34 defects. If the ordinance is rejected and the city or county fails to correct  
35 the noted defects, any tax levied by such defective ordinance shall not be  
36 collected by the director.

1 (c) Whenever a special election is called for the purpose of submitting  
2 an initiated measure which levies a city or county sales and use tax to be  
3 collected by the Director, the county board of election commissioners shall  
4 submit the initiated measure to the Director and the provisions of paragraphs  
5 (a) and (b) of this section shall apply.

6 (d) No ordinance or initiated measure shall be deemed invalid because  
7 of the failure to submit the ordinance or measure to the Director or to use a  
8 sample form, and such failure shall not constitute a cause of action to  
9 invalidate an ordinance or initiated measure.

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11 SECTION 2. The Arkansas Municipal League, the Association of Arkansas  
12 Counties and the Department of Finance and Administration are authorized to  
13 jointly develop sample forms and ordinances for levying local sales and use  
14 taxes which comply with all statutory requirements and limitations. The  
15 sample forms and ordinances will be reviewed regularly in order to comply with  
16 changes in law.

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18 SECTION 3. All provisions of this act of a general and permanent nature  
19 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
20 Revision Commission shall incorporate the same in the Code.

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22 SECTION 4. If any provision of this act or the application thereof to  
23 any person or circumstance is held invalid, such invalidity shall not affect  
24 other provisions or applications of the act which can be given effect without  
25 the invalid provision or application, and to this end the provisions of this  
26 act are declared to be severable.

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28 SECTION 5. All laws and parts of laws in conflict with this act are  
29 hereby repealed.

30 /s/ R. Smith

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33 APPROVED: 4/9/1999