## Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1	State of Arkansas	As Engrossed: H3/8/01 S3/26/01	
2	83rd General Assembly	A Bill	Act 1549 of 2001
3	Regular Session, 2001		HOUSE BILL 1931
4			
5	By: Representative Ferguson		
6	By: Senator T. Smith		
7			
8			
9	For An Act To Be Entitled		
10	AN ACT TO PREVENT FILINGS WITH THE SECRETARY OF		
11	STATE IF FRANCHISE TAXES ARE OWED; AND FOR OTHER		
12	PURPOSES.		
13			
14	Subtitle		
15	TO PREVENT FILINGS WITH THE SECRETARY OF		
16	STATE	IF FRANCHISE TAXES ARE OWED.	
17			
18			
19	BE IT ENACTED BY THE GE	NERAL ASSEMBLY OF THE STATE OF AR	KANSAS:
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21	SECTION 1. Arkan	sas Code Title 26, Chapter 54, Su	bchapter 1 is amended
22	by adding an additional section to read as follows:		
23	<u>26-54-114.</u> Nonpa	yment of franchise taxes.	
24	(a) No corporati	on or limited liability company s	hall be allowed to
25	file any forms or docum	entation related to that corporat	<u>ion or limited</u>
26	liability company if th	e corporation or limited liabilit	y company owes past
27	due franchi se taxes to	the Secretary of State.	
28	(b) No person sh	all be allowed to file any initia	l forms or
29	documentation with the Secretary of State to create any Legal entity in the		
30	State of Arkansas, or to obtain authority to do business in the State of		
31	Arkansas if that person is substantially connected to any corporation or		
32	limited liability company that owes past due franchise taxes to the Secretary		
33	of State.		
34	(c) For purposes	of this section:	
35	<u>(1) "Past</u>	due franchise taxes" means only t	hose taxes owed three
36	(3) years prior to the year in which the current filing is presented;		

\*VJF831\*

1	(2) "Substantially connected" means a present or past officer or		
2	director of a corporation; and		
3	(3) "Past officer or director" means a person that was		
4	associated with the corporation or limited liability company during the time		
5	that its charter was revoked for nonpayment of franchise taxes.		
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7	SECTION 2. EMERGENCY CLAUSE. It is found and determined by the		
8	General Assembly that this act is essential to the proper operation of the		
9	Secretary of State. Therefore, an emergency is declared to exist and this		
10	act being immediately necessary for the preservation of the public peace,		
11	health and safety shall become effective on the date of its approval by the		
12	Governor. If the bill is neither approved nor vetoed by the Governor, it		
13	shall become effective on the expiration of the period of time during which		
14	the Governor may veto the bill. If the bill is vetoed by the Governor and		
15	the veto is overridden, it shall become effective on the date the last house		
16	overrides the veto.		
17	/s/ Ferguson		
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20	APPROVED: 4/12/2001		
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