

1 State of Arkansas  
2 93rd General Assembly  
3 Regular Session, 2021  
4

As Engrossed: H2/10/21

# A Bill

HOUSE BILL 1374

5 By: Representatives A. Collins, Jett  
6 By: Senator J. Dismang  
7

## For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING WHEN CERTAIN SALES  
10 BY CHARITABLE ORGANIZATIONS ARE EXEMPT FROM SALES AND  
11 USE TAX; TO AMEND THE CRITERIA TO DETERMINE WHEN A  
12 SALE BY A CHARITABLE ORGANIZATION COMPETES WITH A  
13 SALE BY A FOR-PROFIT BUSINESS; AND FOR OTHER  
14 PURPOSES.  
15

## Subtitle

16  
17  
18 TO AMEND THE LAW CONCERNING WHICH SALES  
19 BY CHARITABLE ORGANIZATIONS ARE EXEMPT  
20 FROM SALES AND USE TAX; AND TO AMEND THE  
21 CRITERIA TO DETERMINE WHEN A SALE BY A  
22 CHARITABLE ORGANIZATION COMPETES WITH A  
23 SALE BY A FOR-PROFIT BUSINESS.  
24

25  
26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
27

28 SECTION 1. Arkansas Code § 26-52-430(b), concerning the exemption from  
29 sales and use tax for the sale of certain property by charitable  
30 organizations, is amended to read as follows:

31 (b) A sale by a charitable organization does not compete with a sale  
32 by a for-profit business if:

33 (1) The sales transaction is conducted by a member of the  
34 charitable organization and not by a franchisee or licensee;

35 (2) All the proceeds derived from the sales transaction go to  
36 the charitable organization; and



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36

(3) The sales transaction is not a:  
(A) A continuing one and; or  
(B) ~~is held not~~ Held more than ~~three (3)~~ ten (10) times a  
year.

*/s/A. Collins*

**APPROVED: 4/20/21**