

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
2 87th General Assembly
3 Regular Session, 2009
4

A Bill

HOUSE BILL 1055

5 By: Representative Hobbs
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For An Act To Be Entitled

9 AN ACT TO ALLOW A CHURCH OR CHARITABLE
10 ORGANIZATION TO PURCHASE TANGIBLE PERSONAL
11 PROPERTY AND SERVICES EXEMPT FROM SALES AND USE
12 TAX WHEN THE CHURCH OR CHARITABLE ORGANIZATION IS
13 PROVIDING A COMMUNITY SERVICE TO THE PUBLIC; AND
14 FOR OTHER PURPOSES.

Subtitle

15
16 TO ALLOW A CHURCH OR CHARITABLE
17 ORGANIZATION TO PURCHASE TANGIBLE
18 PERSONAL PROPERTY AND SERVICES EXEMPT
19 FROM SALES AND USE TAX WHEN THE CHURCH
20 OR CHARITABLE ORGANIZATION IS PROVIDING
21 A COMMUNITY SERVICE TO THE PUBLIC.
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code § 26-52-401(1) and (2), concerning items
28 specifically exempted from the gross receipts tax, is amended to read as
29 follows:

30 (1)(A) The gross receipts or gross proceeds derived from the sale of
31 tangible personal property or services by churches, except when the
32 organizations may be engaged in business for profit; and

33 (B) The gross receipts or gross proceeds derived from the sale
34 of tangible personal property or services to a church that provides a
35 community service to the public, except when the church may be engaged in
36 business for profit.



1 (i) As used in subdivision (1)(B) of this section,
 2 “community service to the public” means providing a benefit to the community
 3 that is designed to improve the quality of life for the community, residents,
 4 or low-income individuals, such as providing free food, clothing, day care,
 5 or shelter for the homeless, literacy training, or support services for the
 6 disabled.

7 (ii) The Director of the Department of Finance and
 8 Administration shall promulgate rules for the proper administration of this
 9 subdivision;

10 (2)A) The gross receipts or gross proceeds derived from the sale of
 11 tangible personal property or service by charitable organizations, except
 12 when the organizations may be engaged in business for profit; and

13 (B) The gross receipts or gross proceeds derived from the sale
 14 of tangible personal property or services to a charitable organization that
 15 provides a community service to the public, except when the charitable
 16 organization may be engaged in business for profit.

17 (i) As used in subdivision (2)(B) of this section,
 18 “community service to the public” means providing a benefit to the community
 19 that is designed to improve the quality of life for the community, residents,
 20 or low-income individuals, such as providing free food, clothing, day care,
 21 or shelter for the homeless, literacy training, or support services for the
 22 disabled.

23 (ii) The Director of the Department of Finance and
 24 Administration shall promulgate rules for the proper administration of this
 25 subdivision;

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 27 SECTION 2. Section 1 of this act is effective on the first day of the
 28 calendar quarter following the effective date of this act.

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