

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

As Engrossed: S2/15/11

A Bill

SENATE BILL 276

5 By: Senators Teague, G. Baker, Bledsoe, Bookout, Burnett, L. Chesterfield, Crumbly, J. Dismang, Elliott,
6 Files, Fletcher, S. Flowers, S. Harrelson, Hendren, Holland, J. Hutchinson, Irvin, G. Jeffress, J. Jeffress,
7 D. Johnson, J. Key, M. Lamoureux, Laverty, Luker, Madison, P. Malone, B. Pritchard, Rapert, Salmon,
8 B. Sample, R. Thompson, Whitaker, E. Williams, D. Wyatt
9

For An Act To Be Entitled

11 AN ACT TO AMEND THE STATE SALES AND USE TAX RATE ON
12 FOOD AND FOOD INGREDIENTS; TO CONTINUE THE IMPOSITION
13 OF LOCAL SALES AND USE TAX ON FOOD AND FOOD
14 INGREDIENTS; TO DECLARE AN EMERGENCY; AND FOR OTHER
15 PURPOSES.
16
17

Subtitle

19 TO AMEND THE STATE SALES AND USE TAX RATE
20 ON FOOD AND FOOD INGREDIENTS AND TO
21 DECLARE AN EMERGENCY.
22
23

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

26 SECTION 1. Arkansas Code § 26-52-317(c), concerning the state sales
27 tax rate on food and food ingredients, is amended to read as follows:

28 (c)(1) Beginning ~~July 1, 2009~~ July 1, 2011, in lieu of the gross
29 receipts or gross proceeds taxes levied on food and food ingredients under §§
30 26-52-301 and 26-52-302, there is levied a tax on the gross receipts or gross
31 proceeds derived from the sale of food and food ingredients at the rate of
32 ~~one and seven-eighths percent (1.875%)~~ one and three-eighths percent
33 (1.375%), to be distributed as follows:

34 (A) Seventy-six and six-tenths percent (76.6%) of the
35 taxes, interest, penalties, and costs received by the director under this
36 subdivision (c)(1) shall be deposited as general revenues;



1 (B) Eight and five-tenths percent (8.5%) of the taxes,
2 interest, penalties, and costs received by the director under this
3 subdivision (c)(1) shall be deposited into the Property Tax Relief Trust
4 Fund; and

5 (C) Fourteen and nine-tenths percent (14.9%) of the taxes,
6 interest, penalties, and costs received by the director under this
7 subdivision (c)(1) shall be deposited into the Educational Adequacy Fund.

8 (2) The gross receipts or gross proceeds taxes levied under
9 subdivision (c)(1) of this section shall be collected, reported, and paid in
10 the same manner and at the same time as is prescribed by law for the
11 collection, reporting, and payment of all other Arkansas gross receipts
12 taxes.

13

14 SECTION 2. Arkansas Code § 26-53-145(c), concerning the state use tax
15 rate on food and food ingredients, is amended to read as follows:

16 (c)(1) Beginning ~~July 1, 2009~~ July 1, 2011, in lieu of the
17 compensating use taxes levied on food and food ingredients under §§ 26-53-106
18 and 26-53-107, there is levied a tax on the privilege of storing, using,
19 distributing, or consuming food and food ingredients at the rate of ~~one and~~
20 ~~seven-eighths percent (1.875%)~~ one and three-eighths percent (1.375%) to be
21 distributed as follows:

22 (A) Seventy-six and six-tenths percent (76.6%) of the
23 taxes, interest, penalties, and costs received by the director under this
24 subdivision (c)(1) shall be deposited as general revenues;

25 (B) Eight and five-tenths percent (8.5%) of the taxes,
26 interest, penalties, and costs received by the director under this
27 subdivision (c)(1) shall be deposited into the Property Tax Relief Trust
28 Fund; and

29 (C) Fourteen and nine-tenths percent (14.9%) of the taxes,
30 interest, penalties, and costs received by the director under this
31 subdivision (c)(1) shall be deposited into the Educational Adequacy Fund.

32 (2) The use tax levied under subdivision (c)(1) of this section
33 shall be collected, reported, and paid in the same manner and at the same
34 time as is prescribed by law for the collection, reporting, and payment of
35 all other Arkansas compensating use taxes.

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