

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

A Bill

SENATE BILL 825

5 By: Senators U. Lindsey, Files, D. Johnson, S. Flowers, J. Woods, D. Wyatt, J. Hutchinson, K. Ingram, R.
6 Thompson, Maloch, B. Sample, Elliott, E. Cheatham
7 By: Representatives D. Douglas, Broadaway, Holcomb, Copenhaver, E. Armstrong, Magie, D. Whitaker,
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9

For An Act To Be Entitled

11 AN ACT CONCERNING REPORTS FOR SALES AND USE TAXES;
12 AND FOR OTHER PURPOSES.
13
14

Subtitle

15 CONCERNING REPORTS FOR SALES AND USE
16 TAXES.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. Arkansas Code § 26-18-303(b), concerning privileged and
23 confidential records, is amended to add an additional subdivision to read as
24 follows:

25 (25) Disclosure of the following information from sales and use
26 tax reports:

27 (A)(i) The Department of Finance and Administration shall
28 prepare a quarterly report listing all businesses remitting sales and use
29 taxes for counties and municipalities.

30 (ii) The chief executive officer of a county or
31 municipality, or his or her designee, may request this report from the
32 Department of Finance and Administration.

33 (iii) The Department of Finance and Administration
34 shall provide the report within thirty (30) calendar days following the
35 initial request and following the end of the calendar quarter for subsequent
36 reports;



1 (B)(i) Upon registration in the manner established by the
2 Department of Finance and Administration, beginning with local taxes
3 distributed to the local taxing entity in January 2014, the Department of
4 Finance and Administration shall provide an additional monthly report to
5 cities and counties that have an unelected employee or official designated as
6 finance director, controller, or other similar title with responsibility to
7 manage the financial affairs of the city or county, explaining the source and
8 composition of the requesting city or county’s tax collections that can be
9 used to monitor local sales tax collections and trends.

10 (ii) The Department of Finance and Administration
11 shall make the requested information available to the finance director or
12 other employee or official:

13 (a) Not later than thirty (30) calendar days
14 following the most recent monthly tax distribution; and

15 (b) By dedicated online account in usable
16 electronic format.

17 (iii) The information provided in the report
18 described in subdivision (b)(25)(A) may be combined and included along with
19 the information described in this subdivision (b)(25)(B).

20 (iv) The report shall include the following
21 information for the most recent month of tax collections for the requesting
22 city or county:

23 (a) A schedule or schedules of separate
24 amounts for net sales and use tax collections, rebates, and other adjustments
25 with totals for each taxpaying or collecting entity identified by account
26 identification number, North American Industry Classification System code,
27 business name, and reporting address;

28 (b) The amount of sales and use tax collected
29 related to motor vehicles;

30 (c) The amounts of excise taxes associated
31 with vending machines, decals, and other activity included in local tax
32 distributions with separate amounts identified for each category of tax;

33 (d) The combined totals of tax collections per
34 the schedules listed in this subdivision (b)(25)(B)(iv), plus totals for any
35 other collection source or deduction for any month, that equal the related
36 total tax transferred by the Department of Finance and Administration to the

1 Treasurer of State for a local taxing jurisdiction for that particular month
2 before any allocations, deductions, or adjustments made by the Treasurer of
3 State; and

4 (e) A schedule of total collections grouped by
5 North American Industry Classification System code category that equal the
6 total reflected on the schedule described in subdivision (B)(25)(B)(iv)(d).

7 (C) Cities and counties not eligible to receive the
8 monthly report under subdivision (b)(25)(B) shall receive the schedule
9 described in subdivision (B)(25)(B)(iv)(e) after registration in a manner
10 established by the Department of Finance and Administration. The report
11 shall be available to those described in subdivision (b)(25)(A) and is not
12 limited to finance directors or other similar employees or officials.
13 Supplemental information shall also be provided by the Department of Finance
14 and Administration that includes a total for each category of factors
15 affecting monthly receipts related to prior periods and collections,
16 including without limitation tax rebates, refunds, and additional tax
17 payments;

18 (D) Upon request, the Department of Finance and
19 Administration shall also provide to supplement the reports under
20 subdivisions (b)(25)(B) and (C):

21 (i) Additional information related to prior period
22 audit adjustments, refund and rebate claims, amended returns, or other
23 adjustments that affect current period distributions; and

24 (ii) Information identifying the original period of
25 tax activity and the reason for the prior period adjustment; and

26 (E)(i) The release of information described and authorized
27 by subdivision (b)(25)(B) shall require a written agreement by the local
28 government that specific taxpayer information remain confidential.

29 (ii) Specific taxpayer information received by a
30 local government under subdivision (b)(25)(B) shall remain confidential and
31 not subject to disclosure except in accordance with this section.

32 (iii) Any specific taxpayer information that is
33 provided to a local government is not subject to the provisions of the
34 Freedom of Information Act of 1967, § 25-19-101 et seq.

35 (iv) The Department of Finance and Administration
36 shall not release actual tax returns, forms, or reports submitted or used in

1 the process of tax administration.

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3 SECTION 2. Arkansas Code 26-73-115 is amended to read as follows:
4 26-73-115. Sales and use tax reports.

5 ~~(a) Upon a request made in accordance with this section~~ by a county or
6 municipality, the Department of Finance and Administration shall provide a
7 ~~report~~ the reports listing all businesses remitting sales and use taxes for
8 the requesting governmental entity and other information related to the
9 source and composition of tax collections as provided under § 26-18-
10 303(b)(25).

11 ~~(b) In order to obtain a report from the department, no more than~~
12 ~~quarterly, the chief executive officer of a county, city, or town may request~~
13 ~~a report from the department on the information noted in subsection (a) of~~
14 ~~this section.~~

15 ~~(c) The department shall provide the requested information within~~
16 ~~thirty (30) calendar days of the request.~~