

1 State of Arkansas  
2 91st General Assembly  
3 Regular Session, 2017  
4

# A Bill

HOUSE BILL 1221

5 By: Representatives Sabin, Shepherd, Warren, Richey, M. Hodges  
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## For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING THE SALES AND USE  
9 TAX EXEMPTION FOR SALES BY A CHARITABLE ORGANIZATION;  
10 AND FOR OTHER PURPOSES.  
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## Subtitle

13 TO AMEND THE LAW CONCERNING THE SALES AND  
14 USE TAX EXEMPTION FOR SALES BY A  
15 CHARITABLE ORGANIZATION.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code § 26-52-430(b), concerning an exception to  
22 the sales tax exemption for charitable organizations if the charitable  
23 organization competes with sales by a for-profit business, is amended to read  
24 as follows:

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

27 (1) The sales transaction is conducted by a member of the  
28 charitable organization and not by ~~any~~ a franchisee or licensee;

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

31 (3) The sales transaction is not a continuing one and is held not  
32 more than three (3) times a year; ~~and~~

33 ~~(4) The dominant motive of the majority of purchasers of the~~  
34 ~~items sold is the making of a charitable contribution, with the purchase of~~  
35 ~~an item being merely incidental and secondary to the dominant purpose of~~  
36 ~~making a gift to the charitable organization.~~



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