

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4
5 By: Representative Jett

A Bill

HOUSE BILL 1037

For An Act To Be Entitled

8 AN ACT TO AUTHORIZE THE SECRETARY OF THE DEPARTMENT
9 OF FINANCE AND ADMINISTRATION TO REQUIRE A BOND FOR A
10 TAXPAYER THAT OWES DELINQUENT SALES AND USE TAX; TO
11 AUTHORIZE THE SECRETARY OF THE DEPARTMENT OF FINANCE
12 AND ADMINISTRATION TO DISCLOSE DELINQUENT SALES AND
13 USE TAX INFORMATION TO BONDING COMPANIES; AND FOR
14 OTHER PURPOSES.

Subtitle

18 TO AUTHORIZE THE SECRETARY OF THE
19 DEPARTMENT OF FINANCE AND ADMINISTRATION
20 TO REQUIRE A BOND FOR A TAXPAYER THAT
21 OWES DELINQUENT SALES AND USE TAX AND TO
22 DISCLOSE DELINQUENT SALES AND USE TAX
23 INFORMATION TO BONDING COMPANIES.

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

28 SECTION 1. Arkansas Code § 26-52-203 is amended to read as follows:
29 26-52-203. Fee deposit or bond required - Deposit, bond, or surety
30 required for delinquent taxpayers.

31 (a) The Secretary of the Department of Finance and Administration
32 shall require prior to the issuance of any new Arkansas gross receipts tax
33 permit the payment of a nonrefundable fee of fifty dollars (\$50.00), which
34 shall be remitted with each new application for a permit.

35 (b) ~~All persons~~ A person doing a retail business in this state, which
36 business is subject to the provisions of this chapter, ~~who do~~ that does not



1 have a permanent domicile in this state, shall make a sufficient cash deposit
2 or sufficient bond with the secretary to cover ~~their~~ its annual sales tax
3 before doing business in this state or before receiving a permit to do
4 business in this state as provided in § 26-52-201.

5 (c) If a taxpayer owes delinquent tax under this chapter or under the
6 Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq., the secretary
7 may:

8 (1) Require the delinquent taxpayer to post a cash deposit,
9 bond, or security that is equal to the greater of:

10 (A) One hundred thousand dollars (\$100,000); or

11 (B) Four (4) times the amount of the taxpayer's average
12 monthly tax liability;

13 (2) Require that a cash deposit, bond, or security required
14 under subdivision (c)(1) of this section remain in place until the taxpayer
15 has demonstrated regular compliance with this chapter and the Arkansas
16 Compensating Tax Act of 1949, § 26-53-101 et seq.; and

17 (3) Notwithstanding the restrictions stated in § 26-18-303,
18 disclose information concerning a taxpayer's delinquent taxes under this
19 chapter or the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq., to
20 the bonding company that provides a surety bond under subdivision (c)(1) of
21 this section.

22 (d) All revenues derived from the fees imposed by this section shall
23 be deposited into the State Treasury as nonrevenue receipts credited to the
24 State Central Services Fund for use by the Revenue Division of the Department
25 of Finance and Administration.

26 (e) The secretary may promulgate rules to implement this section.
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