

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1744

Bill Subtitle: TO CLARIFY THE PROCESS FOR PAYING TAXES FOR SHIPMENTS OF WINE UNDER THE DIRECT SHIPMENT OF VINOUS LIQUOR ACT.

Basic Change :

Sponsor: Representative Capp

HB1744 amends § 3-5-1704, which authorizes wine shipment sales and related tax payments on direct shipment of wine by wineries to consumers, to clarify any potential conflicts with existing Arkansas sales and use tax code provisions and to add language consistent with § 26-5-1709 which also authorizes wine shipment sales and related tax payments on shipments by Small Farm Wineries to consumers.

Revenue Impact :

None.

Taxpayer Impact :

None.

Resources Required :

None.

Time Required :

None.

Procedural Changes :

None.

Other Comments :

None.

Legal Analysis :

HB1744 is a cleanup bill for existing alcohol beverage control law. This modification clarifies that a sale of the type provided for under § 3-5-1704(a) be sourced to the purchaser's delivery address as required by the Streamlined Sales and Use Tax Agreement and by other sections of Arkansas law. Changing sourcing to the purchaser's address insures that the proper city and county sales taxes are collected.