

1 INTERIM STUDY PROPOSAL 2019-126

2
3 REQUESTING THAT THE ARKANSAS LEGISLATIVE COUNCIL REFER TO THE
4 HOUSE COMMITTEE ON REVENUE AND TAXATION A STUDY OF THE REDUCTION
5 OF SALES AND USE TAXES IN THE STATE.
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7 WHEREAS, Arkansas has one of the highest sales and use tax rates in the
8 nation; and
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10 WHEREAS, the state should reduce the burden on taxpayers when possible
11 in a fiscally responsible manner; and
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13 WHEREAS, the Arkansas Tax Reform and Relief Legislative Task Force
14 studied the state's tax laws and policies to determine how to provide tax
15 relief and reform the state's tax laws; and
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17 WHEREAS, the legislature should continue to study how the state can
18 reduce the sales and use tax rate in a fiscally responsible manner,
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20 NOW THEREFORE,

21 BE IT PROPOSED BY THE ARKANSAS LEGISLATIVE COUNCIL OF THE NINETY-SECOND
22 GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 THAT the Arkansas Legislative Council refer to the House Committee on
25 Revenue and Taxation a study of the possibilities for and effects of reducing
26 the sales and use taxes in the state, including without limitation:

27 (1) The feasibility of reducing the state sales and use tax rate
28 by five-tenths percent (0.5%);

29 (2) The overall cost to general revenue and special revenue
30 resulting from a reduction of the sales and use tax rate; and

31 (3) The possible means of offsetting a reduction in state
32 revenue through savings, income growth, and other means.
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34 BE IT FURTHER RESOLVED THAT the House Committee on Revenue and Taxation
35 invite the Senate Committee on Revenue and Taxation to meet jointly to
36 conduct the study of the reduction of sales and use taxes in the state.

1 Prepared by: JLL/JLL
2 Respectfully submitted,

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6 Representative Jack Ladyman
7 District 59

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