

ARKANSAS SENATE
95th General Assembly - Regular Session, 2025
Amendment Form

Subtitle of Senate Bill 568

TO AMEND THE LAW CONCERNING THE TAXES APPLICABLE TO LITHIUM
EXTRACTION AND DEVELOPMENT; TO PROVIDE A SALES AND USE TAX
EXEMPTION FOR LITHIUM RESOURCE DEVELOPMENT; AND TO AMEND THE LAW
CONCERNING THE SEVERANCE TAX ON LITHIUM.

Amendment No. 3 to Senate Bill 568

Amend Senate Bill 568 as engrossed S4/8/25 (version: 4/8/25 10:30:00 AM):

Immediately following SECTION 4 of the bill, add additional sections to read as follows:

"SECTION 5. Arkansas Code § 26-58-124(a), concerning distribution of the severance tax, is amended to read as follows:

(a) All taxes, penalties, and costs collected by the Secretary of the Department of Finance and Administration under the provisions of this subchapter, except for the taxes, penalties, and costs collected on natural gas and salt water, shall be deposited into the State Treasury to the credit of the State Apportionment Fund.

SECTION 6. Arkansas Code § 26-58-124, concerning distribution of the severance tax, is amended to add an additional subsection to read as follows:

(d) All taxes, penalties, and costs collected by the secretary on salt water shall be deposited into the State Treasury as follows:

(1) The Treasurer of State shall allocate the first three hundred twenty-five thousand dollars (\$325,000) collected each fiscal year in the following manner on or before the fifth of the month next following the month during which funds under this subsection are received by the Treasurer of State:

(A) Forty-five cents (45¢) of the fee levied per one



thousand (1,000) barrels shall be deposited and credited as provided in § 26-58-125; and

(B) Of the amount remaining after the allocation under subdivision (d)(1)(A) of this section:

(i) Three percent (3%) shall be allocated to the General Revenue Fund Account of the State Apportionment Fund to be used for defraying the necessary expenses of the state government; and

(ii) Ninety-seven percent (97%) shall be allocated as follows:

(a) Seventy-five percent (75%) shall be general revenues and shall be allocated to the various State Treasury funds participating in general revenues in the respective proportions to each as provided by and to be used for the respective purposes set forth in the Revenue Stabilization Law, § 19-5-101 et seq.; and

(b) Twenty-five percent (25%) shall be special revenues and shall be allocated to the County Aid Fund; and

(2) The Treasurer of State shall allocate funds collected each fiscal year in excess of three hundred twenty-five thousand dollars (\$325,000) in the following manner on or before the fifth of the month next following the month during which funds under this subsection are received by the Treasurer of State:

(A) Forty-five cents (45¢) of the fee levied per one thousand (1,000) barrels shall be deposited and credited as provided in § 26-58-125; and

(B) Of the amount remaining after the allocation under subdivision (d)(2)(A) of this section:

(i) Three percent (3%) shall be allocated to the General Revenue Fund Account of the State Apportionment Fund to be used for defraying the necessary expenses of the state government; and

(ii)(a) Ninety-seven percent (97%) shall be special revenues and shall be allocated to the County Aid Fund.

(b) On or before the tenth of the month following the end of each calendar quarter, the Treasurer of State shall remit by state warrants to the various county treasurers all funds under subdivision (d)(2)(B)(ii)(a) of this section then received by him or her during the quarterly period and transferred to the County Aid Fund in the

proportions of the funds as between the respective counties that, as certified by the secretary to the Treasurer of State, the salt water severance tax produced from each respective county bears to the total of the taxes produced from all counties.

(c) Upon receipt of any taxes under subdivision (d)(2)(B)(ii)(b) of this section, each county treasurer shall credit the entire amount to the county road fund for use for the same purposes as other moneys credited to the county road fund."

AND

Page 7, line 10, delete "1-6" and substitute "1-8"

AND

Appropriately renumber the sections of the bill

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Crowell

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Secretary