



Bill Subtitle: TO CUT THE STATEWIDE SALES TAX RATE BY ONE-EIGHTH PERCENT TO REDUCE THE SURPLUS FUNDS COLLECTED FROM ARKANSAS TAXPAYERS.



State of Arkansas
Department of Finance and Administration
Fiscal Impact Statement

Bill: SB289

Amendment Number: S1

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REDUCE THE SURPLUS FUNDS COLLECTED FROM ARKANSAS TAXPAYERS.**

Constitutional Officers -

-\$1,037,000

Total Approximate Local City and County Sales and Use Tax Loss \$0

[Tax collected for FY2024 was used to calculate the fiscal impact.]

Taxpayer Impact:

The sales and use tax rate will be reduced to 6.375%.

Resources Required:

The paper and online versions of the sales tax return will require updating along with general ledger accounts to ensure proper revenue distribution. Testing of these changes will require coordination with the forms vendor. Estimated cost for programming changes to the Arkansas Integrated Revenue System (AIRS) is \$14,000.

Time Required:

Adequate time is provided for implementation.

Procedural Changes:

Computer programs, websites and training manuals will need to be updated to account for the changes.

Other Comments:

None.

Legal Analysis:

None.