

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

INTERIM STUDY PROPOSAL 2007-017

State of Arkansas

As Engrossed: H2/6/07

86th General Assembly

**A Bill**

Regular Session, 2007

HOUSE BILL 1029

By: Representatives Hall, Webb

Referred to  
Revenue & Taxation- House  
by the House of Representatives  
on 03/29/2007

**For An Act To Be Entitled**

AN ACT TO CREATE A BACK-TO-SCHOOL TAX-FREE  
HOLIDAY BY EXEMPTING ITEMS OF CLOTHING, FOOTWEAR,  
AND SCHOOL SUPPLIES FROM SALES AND USE TAX DURING  
A LIMITED TIME PERIOD; AND FOR OTHER PURPOSES.

**Subtitle**

TO CREATE A BACK-TO-SCHOOL TAX-FREE  
HOLIDAY BY EXEMPTING ITEMS OF CLOTHING,  
FOOTWEAR, AND SCHOOL SUPPLIES FROM SALES  
AND USE TAX DURING A LIMITED TIME  
PERIOD.

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

SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended to add an additional section to read as follows:

26-52-441. Sales tax holiday.

(a) As used in this section:

(1) "Clothing" means all human wearing apparel suitable for general use including footwear;

(2) "Clothing accessory or equipment" means an incidental item that is not clothing worn on the person or in conjunction with clothing;

1                   (3) "Computer" means an electronic device that accepts  
2 information in digital or similar form and manipulates it for a result based  
3 on a sequence of instructions;

4                   (4) "Computer software" means a set of coded instructions  
5 designed to cause a computer or automatic data processing equipment to  
6 perform a task;

7                   (5) "Protective equipment" means an item for human wear designed  
8 for protection of the wearer against injury or disease or as protection  
9 against damage or injury of other persons or property but not suitable for  
10 general use;

11                   (6) "School computer supply" means an item commonly used by a  
12 student in a course of study in which a computer is used;

13                   (7) "School instructional material" means written material or a  
14 book commonly used by a student in a course of study as a reference to learn  
15 the subject being taught;

16                   (8) "School supply" means an item commonly used by a student in  
17 a course of study; and

18                   (9) "Sport or recreational equipment" means an item designed for  
19 human use and worn in conjunction with an athletic or recreational activity  
20 that is not suitable for general use.

21                   (b) Except as limited under subsection (c) of this section, the  
22 following items are exempt from the excise tax imposed by this chapter every  
23 year for a seventy-two hour (72-hour) period beginning at 12:00 a.m. on the  
24 first Friday in August and ending at 12:00 a.m. on the following Monday:

25                   (1) Clothing;

26                   (2) A school supply;

27                   (3) A computer, computer software, and school computer supply;

28 and

29                   (4) School instructional material.

30                   (c) Subsection (b) of this section does not apply to:

31                   (1) A single item of clothing with a sales price exceeding one  
32 hundred dollars (\$100);

33                   (2) A single school supply with a sales price that exceeds one  
34 hundred dollars (\$100);

35                   (3) Clothing accessory or equipment;

36                   (4) Sport or recreational equipment;



- 1
- 2
- 3
- 4
- 5