

2 State of Arkansas  
3 91st General Assembly  
4 Regular Session, 2017

# A Bill

SENATE BILL 9

5  
6 By: Senator A. Clark

7 Filed with: Senate Committee on Revenue and Taxation  
8 pursuant to A.C.A. §10-3-217.

## 9 For An Act To Be Entitled

10 AN ACT TO ENCOURAGE CHARITABLE GIVING AND ELIMINATE  
11 PERVERSE AND ABSURD TAXES AND DISINCENTIVES ON  
12 CHARITABLE GIVING; TO EXEMPT CERTAIN WITHDRAWALS OF  
13 STOCK FROM THE SALES AND USE TAX; AND FOR OTHER  
14 PURPOSES.

## 16 Subtitle

17 TO ENCOURAGE CHARITABLE GIVING AND  
18 ELIMINATE PERVERSE AND ABSURD TAXES AND  
19 DISINCENTIVES ON CHARITABLE GIVING; AND  
20 TO EXEMPT CERTAIN WITHDRAWALS OF STOCK  
21 FROM THE SALES AND USE TAX.  
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24  
25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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27 SECTION 1. Arkansas Code § 26-52-322(b)(2), concerning withdrawals  
28 from stock, is amended to read as follows:

29 (2) For purposes of calculating the gross receipts tax or the  
30 compensating use tax under subdivision (b)(1) of this section, the gross  
31 receipts or gross proceeds for a withdrawal from stock is ~~the:~~

32 (A) The value of any the goods, wares, merchandise, or  
33 tangible personal property withdrawn if the goods, wares, merchandise, or  
34 tangible personal property:

35 (i) Were withdrawn for consumption or use in the  
36 established business; or

1                   (ii) Are alcoholic beverages or tobacco products; or  
2                   (B) Zero dollars (\$0.00) if the goods, wares, merchandise,  
3 or tangible personal property, other than alcoholic beverages or tobacco  
4 products, were withdrawn for consumption or use by a:

5                   (i) Nonprofit organization described in 26 U.S.C. §  
6 501(c)(3), as it existed on January 1, 2017;

7                   (ii) Public educational institution;

8                   (iii) Nonprofit church; or

9                   (iv) Private individual who has suffered damage or  
10 loss as the result of a natural disaster if:

11                   (a) The private individual receiving the  
12 goods, wares, merchandise, or tangible personal property resides in an area  
13 of the state that the Governor has officially declared to be a disaster area;  
14 and

15                   (b) A representative of the established  
16 business provides a sworn affidavit to the Department of Finance and  
17 Administration with the report required under § 26-52-501 describing in  
18 detail the goods, wares, merchandise, or tangible personal property withdrawn  
19 and the disaster area in which each recipient of the withdrawn goods, wares,  
20 merchandise, or tangible personal property resides.

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22                   SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the  
23 first day of the calendar quarter following the effective date of this act.  
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26 Referred by the Arkansas Senate

27 Prepared by: VJF  
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