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.

1	INTERIM STUDY PROPOSAL 2009-009
2	State of ArkansasAs Engrossed: H2/11/09H2/20/09
3	87th General Assembly A Bill
4	Regular Session, 2009HOUSE BILL1358
5	
6	By: Representatives Sample, Carroll, Clemmer, Dale, Dismang, R. Green, Hobbs, Kerr, Moore, Pyle,
7	Rice, Summers
8	
9	Filed with: House Interim Committee on Revenue and Taxation
10	pursuant to A.C.A. §10-3-217.
11	
12	For An Act To Be Entitled
13	AN ACT TO PROVIDE DIRECT RELIEF TO ARKANSAS
14	CONSUMERS BY REDUCING THE STATE SALES TAX ON
15	NATURAL GAS AND ELECTRICITY; AND FOR OTHER
16	PURPOSES.
17	
18	Subtitle
19	AN ACT TO PROVIDE DIRECT RELIEF TO
20	ARKANSAS CONSUMERS BY REDUCING THE STATE
21	SALES TAX ON NATURAL GAS AND
22	ELECTRICITY.
23	
24	
25	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
26	
27	SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 3 is amended
28	to add an additional section to read as follows:
29	26-52-322. Natural or artificial gas and electricity sold to
30	consumers.
31	(a)(1) As used in this section, "consumer" means a person that
32	purchases natural gas, artificial gas, liquid petroleum gas, or electricity
33	for personal domestic use.
34	(2) "Consumer" does not include a person who purchases natural
35	gas, artificial gas, liquid petroleum gas, or electricity for use directly in
36	the actual manufacturing process.



1	(b)(1) Beginning July 1, 2009, an excise tax is levied on the gross
2	receipts or gross proceeds derived from the sale of natural gas, artificial
3	gas, liquid petroleum gas, or electricity to a consumer at the rate of four
4	percent (4.0%).
5	(c) Each fiscal year after 2009:
6	(1) The Director of the Department of Finance and Administration
7	shall determine whether the net general revenue from gross receipt or gross
8	proceeds taxes levied under §§ 26-52-301 and 26-52-302 reaches or exceeds one
9	hundred and fifty million dollars (\$150,000,000) for the previous fiscal
10	year.
11	(2) If the net general revenue collected from gross receipt or
12	gross proceeds taxes levied under §§ 26-52-301 and 26-52-302 reaches or
13	exceeds one hundred and fifty million dollars (\$150,000,000) for the previous
14	fiscal year, the gross receipts or gross proceeds tax rate levied in this
15	section is reduced by one percent (1.0%) for the following fiscal year
16	beginning on the first day of the second calendar month following the
17	determination of the director under subdivision (1) of this section and shall
18	remain at the new rate.
19	(d) The gross receipts or gross proceeds derived from the sale of
20	natural gas, artificial gas, liquid petroleum gas, or electricity to a
21	consumer shall continue to be subject to:
22	(1) The excise tax levied under Arkansas Constitution, Amendment
23	75, § 2; and
24	(2) All municipal and county gross receipts taxes.
25	(e) The excise tax levied in this section is collected, reported, and
26	paid in the same manner and at the same time as prescribed by law for the
27	collection, reporting, and payment of all other Arkansas gross receipts
28	taxes.
29	(f) The director shall promulgate rules to administer this section.
30	
31	SECTION 2. Section 1 of this act becomes effective on the first day of
32	the calendar month following the effective date of this act.
33	
34	/s/ Sample
35	
36	Filed Date: 04/01/2009 By: LMG\VJF