

**REPORT OF THE
LITIGATION REPORTS OVERSIGHT SUBCOMMITTEE
OF THE
ARKANSAS LEGISLATIVE COUNCIL**

January 15, 2015

Senator Sample and Representative Branscum:

The Litigation Reports Oversight Subcommittee met Monday, January 11, 2016, in Room B-MAC Building in Little Rock. The Subcommittee heard and reviewed the following items:

An update and status report of cases from the Attorney General's Office, with testimony from **Mr. Cory Cox**, Legislative Director, Office of the Attorney General, and **Mr. David Curran**, Deputy Attorney General for Civil Litigation, Office of the Attorney General.

Two litigation settlements from the Revenue Legal Counsel of the Arkansas Department of Finance and Administration (DF&A), with testimony from **Mr. Paul Gehring**, Chief Counsel, DF&A, **Mr. Joel DiPippa**, Attorney Supervisor, DF&A, and **Mr. Tim Howell**, Attorney, DF&A.

H & S Maintenance, Inc. v. Walther, Pulaski Circuit 60 CV 2011-4268 and 60 CV-15-2379.

The issue in this lawsuit is whether the installation of lawn sprinkler systems, including those installed by the plaintiff, is subject to sales tax as the service of initial installation of electrical and mechanical property. This settlement amount is \$ 135,414.21.

New Cingular Wireless PCS LLC and AT&T Mobility Wireless Operations Holding, Inc., successor to Pine Bluff Cellular, Inc. v. Weiss, Pulaski Circuit No. 60 CV 2014-1722.

On November 19, 2010, the Plaintiffs submitted a request for refund of sales taxes that the Plaintiffs collected from its customers on Internet access charges that it billed to its customers between November 1, 2005 and September 31, 2010. This settlement amount is \$18,000,000.00 (\$18M) split evenly as \$3,000,000.00 per month from April through September of 2016 provided as tax credits against the Plaintiffs sales and use tax liabilities.

Respectfully Submitted,

Senator David Johnson, Co-Chair

Representative Marshall Wright, Co-Chair