

State of Arkansas

77th General Assembly                      A Bill

HOUSE BILL

Third Extraordinary Session, 1989

CALL ITEM 61            1072

By: Representative Wilson, et al

For An Act To Be Entitled

"AN ACT AMENDING ARKANSAS CODE 14-164-338, AS AMENDED, TO AUTHORIZE THE LEVY OF AN ADDITIONAL ONE PERCENT (1%) OR FRACTION THEREOF COUNTY OR CITY SALES AND USE TAX TO FINANCE CONSTRUCTION, OPERATION, OR MAINTENANCE OF CAPITAL IMPROVEMENTS, IF THE TAX IS APPROVED BY A MAJORITY OF THE ELECTORS; AND FOR OTHER PURPOSES."

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

SECTION 1. Arkansas Code 14-164-338, as amended by Act 458 of 1989, is hereby amended to read as follows:

"14-164-338. Legislative bodies of counties and municipalities are hereby authorized to levy an additional sales and use tax of one percent (1%) or any fraction thereof to finance the construction, operation, or maintenance (or any combination thereof) of capital improvements of a public nature provided:

(a) a majority of the qualified electors of the county or municipality voting on the question at a general or special election shall have approved the tax and the purpose of the capital improvements; and

(b) the revenues from the tax are expended solely for the purpose authorized by the electorate."

State agencies charged with collection and distribution of revenues from this tax shall allocate the revenues in the manner prescribed by the ballot title."

SECTION 2. All provisions of this Act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 3. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 4. Emergency. It is hereby found and determined by the General Assembly that present law allows a one percent (1%) sales and use tax to be levied by local governments to finance capital improvements and that the tax can be levied for no longer than twenty-four (24) months; that in some instances this method of financing is critical to the construction of local jails and other capital improvements; that the twenty-four (24) month limit is inadequate to finance the construction of some capital improvements; that local governments urgently need additional funds for operations and maintenance, as well as construction, of capital improvements; and that this Act should be given immediate effect in order to authorize the electors to vote as soon as possible upon the issue of levying a one percent (1%) or fraction thereof sales and use tax to be used for construction, operation, or maintenance of capital improvements. Therefore, an emergency is hereby declared to exist and this Act being immediately necessary for the preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.