

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Regular Session, 1991**  
4 **By: Representative Stewart**

# A Bill

**HOUSE BILL**

## For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 26-51-902 TO PROVIDE THAT  
9 AGRICULTURAL WORKERS WILL BE SUBJECT TO INCOME TAX  
10 WITHHOLDING IF THE AGRICULTURAL WAGES ARE WAGES AS  
11 DEFINED IN 26 U.S.C. 3121(a), AS IN EFFECT ON JANUARY 1,  
12 1991; AND FOR OTHER PURPOSES."

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

16 SECTION 1. Arkansas Code 26-51-902 is hereby amended to read as  
17 follows:

18 "26-51-902. Definitions.

19 As used in this subchapter, unless the context otherwise requires:

20 (1) Agricultural labor means agricultural labor as defined in 26  
21 U.S.C. 3121(g), on January 1, 1991;

22 (2) Calendar quarter means the period of three (3) consecutive months  
23 ending on March 31, June 30, September 30, or December 31;

24 (3) Director means the Director of the Department of Finance and  
25 Administration of the State of Arkansas;

26 (4) Division means the Revenue Division of the Department of Finance  
27 and Administration of the State of Arkansas;

28 (5) Employee means any individual subject to the Arkansas Income Tax  
29 Act, 26-51-101 et seq., who performs or performed services for an employer as  
30 defined herein and receives wages therefor;

31 (6) Employer means a person doing business in or deriving income from  
32 sources within this state who has control of the payment of wages to an  
33 individual for services performed, or a person who is the officer or agent of  
34 the person having control of the payment of wages;

35 (7) Estimated tax means the amount by which the tax liability of the

1 taxpayer under the Arkansas Income Tax Act, 26-51-101 et seq., can reasonably  
2 be expected to exceed the amount withheld from wages of the taxpayer pursuant  
3 to this subchapter during the income year;

4 (8) Income year means the calendar or fiscal year upon the basis of  
5 which the net income of the taxpayer is computed under the Arkansas Income Tax  
6 Act, 26-51-101 et seq.; if no fiscal year has been established, it means the  
7 calendar year;

8 (9) Payroll period means a period for which a payment of wages is  
9 made to the employee by the employer;

10 (10) Person means individuals, fiduciaries, corporations,  
11 partnerships, associations, the state and its political subdivisions, and the  
12 federal government and its agencies and instrumentalities;

13 (11) Taxpayer means any individual, fiduciary, corporation, or other  
14 legal entity subject to the tax imposed by the Arkansas Income Tax Act,  
15 26-51-101 et seq.

16 (12) Transient employer means an employer who is not a resident of  
17 this state and who temporarily engages in any activity within this state for  
18 the production of income. Without intending to exclude others who may come  
19 within the foregoing definition, any nonresident employer engaging in any such  
20 activity within this state which, as of any date, cannot be reasonably  
21 expected to continue for a period of eighteen (18) consecutive months shall be  
22 deemed to be temporarily engaged in such activity;

23 (13) Wages means remuneration in cash or other form for services  
24 performed by an employee for an employer, except that it shall not include  
25 remuneration paid:

26 (A) For domestic service in a private home, local college club,  
27 or local chapter of a college fraternity or sorority;

28 (B) For agricultural labor unless the remuneration paid for such  
29 labor is wages (as defined in 26 U.S.C. 3121(a), as in effect on January 1,  
30 1991);

31 (C) For services not in the course of the employee's trade or  
32 business performed by an employee in any calendar quarter unless the  
33 remuneration paid for such services is one hundred fifty dollars (\$150) or  
34 more; or

35 (D) For services performed by an ordained, commissioned, or

1 licensed minister of a church in the exercise of his ministry or by a member  
2 of a religious order performing duties required by the order.

3 (14) For purposes of this section, crew leader rules contained in 26  
4 U.S.C. 3121(o), as in effect on January 1, 1991, shall apply."

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6 SECTION 2. The provisions of this act shall be in full force and effect  
7 for all income years beginning on and after January 1, 1991.

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9 SECTION 3. All provisions of this act of a general and permanent nature  
10 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
11 Revision Commission shall incorporate the same in the Code.

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13 SECTION 4. If any provision of this act or the application thereof to  
14 any person or circumstance is held invalid, such invalidity shall not affect  
15 other provisions or applications of the act which can be given effect without  
16 the invalid provision or application, and to this end the provisions of this  
17 act are declared to be severable.

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19 SECTION 5. All laws and parts of laws in conflict with this act are  
20 hereby repealed.

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