

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Regular Session, 1991**  
4 **By: Senators Canada, Scott, Gibson,**  
5 **Yates, Cassady, and Fitch**

# A Bill

**SENATE BILL 616**

## For An Act To Be Entitled

"AN ACT TO AMEND ARKANSAS CODE SECTIONS 26-18-208(2) AND  
26-18-208(3) TO CHANGE THE FAILURE TO PAY PENALTY FOR  
INDIVIDUAL INCOME TAX RETURN FILERS; AND FOR OTHER  
PURPOSES."

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

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15 SECTION 1. Arkansas Code 26-18-208(2) is hereby amended to read as  
16 follows:

17 "(2) (A) In case of a failure to pay the amount shown as tax on any  
18 return required to be filed under any state tax law, except an individual  
19 income tax return, on or before the date prescribed for payment of the tax,  
20 unless it is shown that the failure to pay is due to reasonable cause and not  
21 to wilful neglect, there shall be added to the amount shown as tax on the  
22 return five percent (5%) of the amount of the tax if the failure is for not  
23 more than one (1) month, with an additional five percent (5%) for each  
24 additional month, or fraction thereof, during which the failure continues, not  
25 to exceed thirty-five percent (35%) in the aggregate;

26 (B) In case of failure to pay the amount shown as tax on any  
27 individual income tax return required to be filed, on or before the date  
28 prescribed for payment of the tax, unless it is shown that the failure to pay  
29 is due to reasonable cause and not to wilful neglect, there shall be added to  
30 the amount shown as tax on the return one percent (1%) of the amount of the  
31 tax if the failure is for not more than one (1) month, with an additional one  
32 percent (1%) for each additional month, or fraction thereof, during which the  
33 failure continues, not to exceed thirty-five percent (35%) in the aggregate."

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35 SECTION 2. Arkansas Code 26-18-208(3) is hereby amended to read as

1 follows:

2         "(3) (A) If any penalty is assessed under subdivision (1) of this  
3 section, then no penalty shall be assessed under subdivision (2)(A). If any  
4 penalty is assessed under subdivision (2)(A) of this section, then no penalty  
5 shall be assessed under subdivision (1);

6             (B) With respect to any individual income tax return, the amount  
7 of the addition under subdivision (1) of this section shall be increased by  
8 the amount of the addition under subdivision (2)(B) of this section for any  
9 month (or fraction thereof) to which an addition to tax *applies under both*  
10 *subdivision (1) and (2)(B), not to exceed thirty-five percent (35%) in the*  
11 *aggregate.*"

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13             SECTION 3. The provisions of this act shall be in full force and effect  
14 for all income years beginning on and after January 1, 1991.

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16             SECTION 4. All provisions of this act of a general and permanent nature  
17 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
18 Revision Commission shall incorporate the same in the Code.

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20             SECTION 5. If any provision of this act or the application thereof to  
21 any person or circumstance is held invalid, such invalidity shall not affect  
22 other provisions or applications of the act which can be given effect without  
23 the invalid provision or application, and to this end the provisions of this  
24 act are declared to be severable.

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26             SECTION 6. All laws and parts of laws in conflict with this act are  
27 hereby repealed.

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29                             /s/Canada et al

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