

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Second Extraordinary Session, 1992**  
4 **By: Representatives Mahony and J. Miller**

# A Bill

Call Item 2  
**HOUSE BILL**

## For An Act To Be Entitled

8 "AN ACT TO LIMIT THE AMOUNT OF TWO PERCENT (2%) DISCOUNT  
9 AVAILABLE TO AN ARKANSAS RETAILER; TO IMPOSE A PENALTY FOR  
10 FAILURE TO PAY TAX PREPAYMENTS; AND FOR OTHER PURPOSES."

## Subtitle

13 "AN ACT TO LIMIT THE 2% DISCOUNT AVAILABLE TO RETAILERS."

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

17 SECTION 1. Ark. Code Ann. §26-52-503 is hereby amended to add a new  
18 subsection to read as follows:

19 "(c) (1) For tax payments made on or after February 1, 1993, the  
20 discount for prompt payment shall not exceed one thousand dollars (\$1,000.00)  
21 per month for taxpayers filing monthly gross receipts tax reports. Taxpayers  
22 filing a tax report on a quarterly, annual or occasional basis shall be  
23 entitled to the discount which shall not exceed one thousand dollars (\$1,000)  
24 for each month included in the tax report.

25 (2) (A) The aggregate discount available to a taxpayer who  
26 operates more than one permitted business location within this state and who  
27 does not file a consolidated monthly gross receipts tax report for all  
28 locations shall not exceed one thousand dollars (\$1,000) per month.

29 (B) In the case of a corporate taxpayer (parent  
30 corporation) that holds fifty percent (50%) or more of the outstanding shares  
31 of one or more corporations (subsidiaries) which are subject to the tax  
32 imposed by Ark. Code Ann. §26-52-101 et seq., the aggregate discount available  
33 to the parent corporation and all subsidiaries shall not exceed one thousand  
34 dollars (\$1,000) per month."

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1           SECTION 2. Ark Code Ann. §26-52-512(b) is hereby amended to read as  
2 follows:

3           "(b) (1) Every taxpayer who timely remits the two prepayments required  
4 by subsection (a) and who timely files and pays his monthly gross receipts tax  
5 report, shall be entitled to a discount. The discount shall be the lesser of  
6 two percent (2%) of the reported monthly gross tax, or one thousand dollars  
7 (\$1,000). This discount limitation shall apply to tax prepayments due on or  
8 after January 12, 1993 and to monthly tax reports due on or after February  
9 20, 1993.

10           (2) Failure to pay tax prepayments when due shall result in the  
11 assessment of a penalty equal to five percent (5%) of the amount of each  
12 required tax prepayment.

13           (3) (A) The aggregate discount available to a taxpayer who  
14 operates more than one permitted business location within this state and who  
15 does not file a consolidated monthly gross receipts tax report for all  
16 locations shall not exceed one thousand dollars (\$1,000) per month.

17           (B) In the case of a corporate taxpayer (parent  
18 corporation) that holds fifty percent (50%) or more of the outstanding shares  
19 of one or more corporations (subsidiaries) which are subject to the tax  
20 imposed by Ark. Code Ann. §26-52-101 et seq., the aggregate discount available  
21 to the parent corporation and all subsidiaries shall not exceed one thousand  
22 dollars (\$1,000) per month."

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

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28           SECTION 4. If any provision of this act or the application thereof to  
29 any person or circumstance is held invalid, such invalidity shall not affect  
30 other provisions or applications of the act which can be given effect without  
31 the invalid provision or application, and to this end the provisions of this  
32 act are declared to be severable.

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

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SECTION 6. EMERGENCY CLAUSE. It is hereby found and determined by the General Assembly that the State of Arkansas is in serious need of additional revenues which are necessary to provide adequate funding for essential services required by the citizens of this State and that the provisions of this act are necessary to increase State revenues. Therefore, an emergency is hereby declared to exist and this act being 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.

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