

1 **State of Arkansas**
2 **78th General Assembly**
3 **Second Extraordinary Session, 1992**
4 **By: Senator Hoofman**

A Bill

Call Item 2

SENATE BILL

For An Act To Be Entitled

8 "AN ACT TO LEVY AN ADDITIONAL ONE-SIXTH OF ONE PERCENT
9 (1/6TH OF 1%) SALES AND USE TAX; TO PROVIDE THAT THE
10 ADDITIONAL TAX LEVIED HEREIN SHALL EXPIRE ON JUNE 30,
11 1993; AND FOR OTHER PURPOSES."

Subtitle

14 "TO LEVY AN ADDITIONAL ONE-SIXTH OF ONE PERCENT (1/6TH OF
15 1%) SALES AND USE TAX FOR THE PERIOD ENDING JUNE 30,
16 1993."

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

20 SECTION 1. In addition to all state and local sales taxes now levied,
21 there is hereby levied an excise tax of one-sixth of one percent (1/6th of 1%)
22 upon all taxable sales of property and services subject to the tax levied by
23 the Arkansas Gross Receipts Act, A.C.A. §26-52-101 et seq., and such tax shall
24 be collected, reported, and paid in the same manner and at the same time as is
25 prescribed by law for the collection, reporting and payment of gross receipts
26 taxes levied by the Arkansas Gross Receipts Act.

28 SECTION 2. In addition to all state and local use taxes now levied there
29 is hereby levied an excise tax of one-sixth of one percent (1/6th of 1%) upon
30 the privilege of storing, using, distributing or consuming within this state
31 tangible personal property subject to the tax levied by the Arkansas
32 Compensating Tax Act, A.C.A. §26-53-101 et seq., and such tax shall be
33 collected, reported, and paid in the same manner and at the same time as is
34 prescribed by law for the collection, reporting and payment of use taxes
35 levied by the Arkansas Compensating Tax Act.

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2 SECTION 3. Prior to making the distribution of general revenues each
3 month during the biennial period ending June 30, 1993, the State Treasurer
4 shall determine the net amount of the gross receipts tax and compensating tax
5 collections attributable to a one-sixth of one percent (1/6th of 1%) tax and
6 transfer the amount so determined from the "general revenues available for
7 distribution" to the Department of Human Services Grants Fund Account there to
8 be used for the continuation of Arkansas_ Medicaid Program.

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10 SECTION 4. The provisions of this act shall be implemented and the
11 additional tax levied herein shall be collected on all taxable sales for the
12 period February 1, 1993 through June 30, 1993. The provisions of this act
13 shall expire on June 30, 1993 and the additional tax shall not be collected on
14 sales made after that date.

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16 SECTION 5. 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 6. 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 7. All laws and parts of laws in conflict with this act are
27 hereby repealed.

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29 SECTION 8. EMERGENCY. It is hereby found and determined by the General
30 Assembly that the state is in immediate need of additional revenues to address
31 the medicaid funding crisis; that this act generates those revenues; and that
32 this act should go into effect as soon as possible in order to provide
33 additional funding to the medicaid program as soon as possible. Therefore, an
34 emergency is hereby declared to exist and this act being necessary for the
35 preservation of the public peace, health and safety shall be in full force and

1 effect from and after its passage and approval.