

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

A Bill

Call Item 2

SENATE BILL

For An Act To Be Entitled

8 "AN ACT TO LEVY AN ADDITIONAL ONE PERCENT (1%) SALES AND
9 USE TAX; TO EXEMPT FOOD FROM THE ADDITIONAL TAX LEVIED
10 HEREIN; AND FOR OTHER PURPOSES."

Subtitle

13 "TO LEVY AN ADDITIONAL ONE PERCENT (1%) SALES AND USE
14 TAX."

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

18 SECTION 1. In addition to the excise tax levied upon the gross proceeds
19 or gross receipts derived from all sales by the Arkansas Gross Receipts Act
20 (Arkansas Code Annotated §26-52-101 et seq.), there is hereby levied an excise
21 tax of one percent (1%) upon all taxable sales of property and services
22 subject to the tax levied in that Act, except food as defined in Section 3 of
23 this act, and such tax shall be collected, reported, and paid in the same
24 manner and at the same time as is prescribed by law for the collection,
25 reporting and payment of all other Arkansas gross receipts taxes.

27 SECTION 2. In addition to the excise tax levied upon the privilege of
28 storing, using, distributing or consuming tangible personal property within
29 the State by the Arkansas Compensating Tax Act (Arkansas Code Annotated
30 §26-53-101 et seq.), there is hereby levied an excise tax of one percent (1%)
31 upon all tangible personal property subject to the tax levied in that Act,
32 except food as defined in Section 3 of this act, 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 Arkansas
35 compensating taxes levied by Arkansas Code Annotated §26-53-101 et seq.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

SECTION 3. For the purposes of Sections 1 and 2 of this act, the term "food" means food which is eligible for purchase with food stamps or food coupons issued in accordance with the Food Stamp Act of 1964, as amended and in effect on January 1, 1993, and all such food, regardless of whether it is purchased with food stamps or food coupons, shall be exempt from the additional tax levied in this act.

SECTION 4. The Department of Finance and Administration shall enforce this act and promulgate rules and regulations necessary to implement this Act.

SECTION 5. Persons violating this act shall be punished in the same manner as prescribed in the Arkansas Tax Procedure Act.

SECTION 6. 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 7. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 8. All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 9. EMERGENCY CLAUSE. It is hereby found and determined by the General Assembly that the state is in immediate need of additional revenues to address the Medicaid funding crises; that this act generates those revenues; and that this act should go into effect immediately in order to provide additional funding to the Medicaid program as soon as possible. Therefore, an emergency is hereby declared to exist and this act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.

