

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995

A Bill

HOUSE BILL 1124

4 By: Representatives Allen, Mullenix, and T. Smith

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For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 14-164-329(b) TO PERMIT A
9 DELAY IN THE EFFECTIVE DATE OF A LOCAL SALES AND USE TAX
10 LEVIED TO RETIRE BONDED INDEBTEDNESS; DECLARING AN
11 EMERGENCY; AND FOR OTHER PURPOSES."

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Subtitle

14 "TO PERMIT A DELAY IN THE EFFECTIVE DATE
15 OF A LOCAL SALES AND USE TAX LEVIED TO
16 RETIRE BONDED INDEBTEDNESS."

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

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20 SECTION 1. Arkansas Code 14-164-329(b) is amended to read as follows:

21 "(b) In order to provide time for the preparations for election set
22 forth herein and to provide for the accomplishment of the administrative
23 duties of the director, the following effective dates are applicable with
24 reference to any such ordinance levying such tax:

25 (1) If no election challenge is filed within thirty (30) days of
26 the date of publication of the proclamation of the results of the election,
27 the tax shall, unless delayed as provided in subdivision (b)(3) of this
28 section, become effective on the first day of the first calendar month
29 subsequent to the expiration of the thirty-day period for challenge.

30 (2) In the event of an election contest, the tax shall be
31 collected as prescribed in subdivision (b)(1) of this section unless enjoined
32 by court order.

33 (3) The municipality or county may delay the effective date of
34 the tax. The delayed effective date shall be specified in the ordinance
35 levying the tax and on the ballot approving the bonds or the tax, except in

1 the event that the tax is replacing an existing tax. In such event, the
2 ballot and the ordinance shall specify that the tax will replace the existing
3 tax and that the effective date of the tax will be the day following the date
4 the existing tax expires. The delayed effective date shall in any event be
5 the first day of a calendar month. The effective date shall not be delayed
6 for more than twelve (12) months, unless the tax replaces an existing tax."

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8 SECTION 2. All provisions of this act of a general and permanent
9 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
10 Code Revision Commission shall incorporate the same in the Code.

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12 SECTION 3. If any provision of this act or the application thereof to
13 any person or circumstance is held invalid, such invalidity shall not affect
14 other provisions or applications of the act which can be given effect without
15 the invalid provision or application, and to this end the provisions of this
16 act are declared to be severable.

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18 SECTION 4. All laws and parts of laws in conflict with this act are
19 hereby repealed.

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21 SECTION 5. EMERGENCY. It is hereby found and determined by the
22 General Assembly that a number of municipalities and counties in this State
23 have levied a local sales and use tax to be collected only for a specified
24 time or only so long as necessary to retire certain bonded indebtedness; that
25 some of such municipalities and counties have an immediate need to finance
26 capital improvements of a public nature; that under present law such
27 municipalities and counties must, in order to do so, levy an additional tax
28 or wait until the existing tax expires; and that such municipalities and
29 counties should be permitted to finance the needed capital improvements
30 without increasing tax rates by levying a new local sales and use tax at the
31 same rate as the present tax and delay the effective date of the new tax
32 until the expiration of the present. Therefore an emergency is hereby
33 declared to exist and this act being necessary for the preservation of the
34 public peace, health and safety shall be in full force and effect from and
35 after its passage and approval.

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