

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

# A Bill

HOUSE BILL 1141

4 By: Representatives Thomas, Mitchell, Johnson and Wilkinson

5  
6

## For An Act To Be Entitled

8 "AN ACT TO PROHIBIT COUNTIES AND MUNICIPALITIES FROM  
9 LEVYING AN INCOME TAX, A PAYROLL TAX OR ANY OTHER TAX  
10 BASED ON THE EARNINGS OF AN INDIVIDUAL OR AN ENTITY; AND  
11 FOR OTHER PURPOSES."

12  
13

## Subtitle

14 "TO PROHIBIT COUNTIES AND MUNICIPALITIES  
15 FROM LEVYING A TAX BASED ON INCOME."

16

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

18

19 SECTION 1. Arkansas Code §14-43-602 is amended to read as follows:

20 "14-43-602. Authority generally.

21 Any city of the first class is authorized to perform any function and  
22 exercise full legislative power in any and all matters of whatsoever nature  
23 pertaining to its municipal affairs including, but not limited to, the power  
24 to tax subject to the restrictions of §14-43-606."

25

26 SECTION 2. Subsection (a) of Arkansas Code §14-43-606 is amended to  
27 read as follows:

28 "(a) No municipality shall levy any sales, which includes gross  
29 receipts or gross proceeds, or use tax other than those authorized by law.  
30 No municipality shall levy any payroll tax, income tax or any other tax based  
31 on the earnings of an individual or entity."

32

33 SECTION 3. Arkansas Code §14-43-607 is hereby repealed.

34

35 SECTION 4. Subsection (a) of Arkansas Code §26-73-103 is amended to

1 read as follows:

2       "(a) In addition to all other authority of local governments to levy  
3 taxes provided by law, any county, acting through its quorum court, or any  
4 municipality, acting through its governing body, may levy any tax not  
5 otherwise prohibited by law. However, no ordinance levying a tax not  
6 authorized shall be valid until adopted at a special or general election by  
7 the qualified electors of the city or in the area of the county where the tax  
8 is to be imposed, as the case may be."

9

10       SECTION 5. No county shall levy any payroll tax, income tax or any  
11 other tax based on the earnings of an individual or an entity.

12

13       SECTION 6. All provisions of this act of a general and permanent  
14 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas  
15 Code Revision Commission shall incorporate the same in the Code.

16

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

22

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

25

26

27

28

29

30

31

32

33

34

35

