

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

# A Bill

HOUSE BILL 1433

4 By: Representative Cunningham

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## For An Act To Be Entitled

8 "AN ACT TO FACILITATE THE COLLECTION OF SALES AND USE  
9 TAXES ON OUT OF STATE PURCHASES BY ALLOWING THE  
10 EXAMINATION OF THE BOOKS, RECORDS AND OTHER DOCUMENTS OF  
11 TRANSPORTATION BUSINESSES; AND FOR OTHER PURPOSES."

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## Subtitle

14 "AN ACT TO AUTHORIZE THE EXAMINATION OF  
15 BOOKS AND RECORDS OF TRANSPORTATION  
16 BUSINESSES FOR THE PURPOSE OF COLLECTING  
17 SALES AND USE TAXES ON OUT OF STATE  
18 PURCHASES."

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

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23 SECTION 1. Arkansas Code § 26-18-305 is amended by adding a new  
24 subsection (i) to read as follows:

25 "(i)(1) The director is authorized to examine the books, records and  
26 other documents of transportation companies, agencies, firms or persons that  
27 conduct business by truck, rail, water, airplane or otherwise, in order to  
28 determine any sales or use tax due on out of state purchases and to determine  
29 which dealers are importing or shipping articles of tangible personal  
30 property and are liable for any state tax.

31 (2) If the transportation company, agency, firm or person refuses  
32 to allow an examination of its books, records and other documents, the  
33 director may petition the appropriate chancery court to require the  
34 transportation company, agency, firm or person to show cause as to why its  
35 books, records and other documents should not be examined and why a bond

1 should not be required in an amount not to exceed two thousand dollars  
2 (\$2,000) for a period of not more than one (1) year to guarantee compliance  
3 with the provisions of this section.

4 (3) Refusal to permit the director to examine books, records and  
5 other documents pursuant to this section is a Class C misdemeanor."  
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7 SECTION 2. All provisions of this act of a general and permanent  
8 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas  
9 Code Revision Commission shall incorporate the same in the Code.  
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11 SECTION 3. If any provision of this act or the application thereof to  
12 any person or circumstance is held invalid, such invalidity shall not affect  
13 other provisions or applications of the act which can be given effect without  
14 the invalid provision or application, and to this end the provisions of this  
15 act are declared to be severable.  
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17 SECTION 4. All laws and parts of laws in conflict with this act are  
18 hereby repealed.  
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