

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995
4 By: Senator Fitch

A Bill

SENATE BILL 522

For An Act To Be Entitled

"AN ACT TO EXEMPT CERTAIN SERVICES PERFORMED BY A
TEMPORARY OR LEASED EMPLOYEE OF A TAXPAYER FROM GROSS
RECEIPTS TAX; AND FOR OTHER PURPOSES."

Subtitle

"TO EXEMPT CERTAIN SERVICES PERFORMED BY
A TEMPORARY OR LEASED EMPLOYEE OF A
TAXPAYER FROM GROSS RECEIPTS TAX."

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

*SECTION 1. Arkansas Code §26-52-301(3)(C) is hereby amended by adding
a new subdivision to read as follows:*

*"(vii) The provisions of subdivision (3)(C)(i) of this section shall
not apply to the services performed by a temporary or leased employee or
other contract laborer on items owned or leased by the employer. The
following criteria must be met for a person to be a temporary or leased
employee: (1) There must be a written contract with the temporary
employment agency, employee leasing company or other contractor providing the
services; and (2) The employee, temporary employment agency, employee leasing
company or other contractor must not bear the risk of loss for damages caused
during the performance of the contract. The person for whom the services are
performed must bear the risk of loss; and (3) the temporary or leased
employee or contract laborer is controlled by the employer as if he were a
full time permanent employee. 'Control' includes, but is not limited to,
scheduling work hours, designating work duties and directing work
performance."*

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

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5 SECTION 3. If any provision of this act or the application thereof to
6 any person or circumstance is held invalid, such invalidity shall not affect
7 other provisions or applications of the act which can be given effect without
8 the invalid provision or application, and to this end the provisions of this
9 act are declared to be severable.

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12 hereby repealed.

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15 */s/Fitch*

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