

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

A Bill

SENATE BILL 670

For An Act To Be Entitled

"AN ACT TO AMEND ARKANSAS CODE § 26-54-105 PERTAINING TO
THE PAYMENT OF CORPORATE FRANCHISE TAX UPON THE
DISSOLUTION OF A CORPORATION; AND FOR OTHER PURPOSES."

Subtitle

"AN ACT TO AMEND ARKANSAS CODE § 26-54-
105 PERTAINING TO THE PAYMENT OF
CORPORATE FRANCHISE TAX UPON THE
DISSOLUTION OF A CORPORATION."

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

SECTION 1. Arkansas Code § 26-54-105 is amended to read as follows:

"26-54-105. Franchise tax reports.

(a) The Secretary of State shall furnish report forms to each corporation subject to the provisions of this chapter by mailing them to the corporation's last known address on or before February 1 of each year.

(b) Any corporation that fails to receive the report forms by March 20 of the reporting year shall make written request for them to the Secretary of State on or before March 31.

(c) Each corporation subject to the requirements of this chapter shall file a franchise tax report with the Secretary of State which shows its condition and status as of the close of business on December 31, last preceding, and other information required by the Secretary of State. The franchise tax as computed on the report shall be remitted with the franchise tax report on or before June 1 of the reporting year.

(d)(1) Every corporation that dissolves shall be required to pay at the time of dissolution the franchise tax for the prior calendar year and pay

1 at the time of dissolution the minimum franchise tax for the year in which
2 dissolved or withdrawn.

3 (2) Any newly formed corporation shall not be required to file a
4 franchise tax report until the calendar year immediately following the
5 calendar year of incorporation.

6 (e)(1) Where the par value of the shares of a corporation is required
7 to be stated in any franchise tax report and the shares of the corporation
8 are without par value, the number of shares shall be stated.

9 (2) For the purpose of computing the franchise tax prescribed by
10 this chapter, such shares of no par value shall be considered to be of the
11 par value of twenty-five dollars (\$25.00) per share.

12 (f) Each corporation which pays its tax computed by the full
13 assessment of capital stock or property shall not be required to report the
14 value of its real and personal property within or without this state.

15 (g)(1) Every franchise tax report shall contain the following
16 statement: I declare, under the penalties of perjury, that the foregoing
17 statements are true to the best of my knowledge and belief.

18 (2) This statement shall be signed by the president,
19 vice-president, secretary, treasurer, or controller of the corporation."
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21 SECTION 2. All provisions of this act of a general and permanent
22 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
23 Code Revision Commission shall incorporate the same in the Code.
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25 SECTION 3. If any provision of this act or the application thereof to
26 any person or circumstance is held invalid, such invalidity shall not affect
27 other provisions or applications of the act which can be given effect without
28 the invalid provision or application, and to this end the provisions of this
29 act are declared to be severable.
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31 SECTION 4. All laws and parts of laws in conflict with this act are
32 hereby repealed.
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34 SECTION 5. *EMERGENCY. It is hereby found and determined by the*
35 *General Assembly that the process for collecting franchise tax from dissolved*

1 corporations should be revised in order to prevent unnecessary delay in
2 collecting franchise taxes; that this act will require those dissolved
3 corporations to remit taxes upon dissolution thereby preventing such revenue
4 losses. Therefore, an emergency is hereby declared to exist, and this act
5 being immediately necessary for the preservation of the public peace, health,
6 and safety shall be in full force and effect from and after its passage and
7 approval.

8 /s/Mahony

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