

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

A Bill

SENATE BILL 788

For An Act To Be Entitled

8 "AN ACT TO REQUIRE THAT CERTAIN AIRPORT FEES ON CAR RENTAL
9 COMPANIES BE DISCLOSED ON CAR RENTAL AGREEMENTS AS
10 *CONCESSION FEES*; TO PROVIDE FOR THE COLLECTION OF THE FEES
11 FROM RENTAL CAR *CUSTOMERS*; *TO LEVY AN EXCISE TAX TO BE*
12 *KNOWN AS THE 'AERONAUTICS TAX'; AND FOR OTHER PURPOSES."*

Subtitle

16 "AN ACT TO REQUIRE THAT CERTAIN AIRPORT
17 FEES ON CAR RENTAL COMPANIES BE
18 DISCLOSED ON CAR RENTAL AGREEMENTS AS
19 *CONCESSION FEES*; TO PROVIDE FOR THE
20 COLLECTION OF THE FEES FROM RENTAL CAR
21 *CUSTOMERS; AND TO LEVY AN EXCISE TAX TO*
22 *BE KNOWN AS THE 'AERONAUTICS TAX'."*

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

27 SECTION 1.(a) If a municipal, county, regional or national airport
28 charges a fee to a car rental company, whether based on a percentage of gross
29 receipts, flat rate or passenger deplaning count, the fee shall be collected
30 by the car rental company from customers as a *concession* fee. The fee shall
31 be listed on the car rental agreement as a *concession* fee and the fee shall
32 be added to the total rental charge. Monies collected by car rental
33 companies from the *concession* fee shall be paid to the airport at such times
34 and under such procedures as may be established by the airport.

35 (b) *This section shall not apply to rent for counter space, office*

1 space, service facilities, parking facilities, or other ground rental, if the
2 rent is determined based on the square footage to be rented.

3 (c) This section applies only to the amount of the total fees that
4 exceed two percent (2%) of the gross revenues of the car rental company.

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6 SECTION 2. (a) In addition to any other tax imposed by law, there is
7 levied an excise tax of one percent (1%) to be known as the Aeronautics
8 Tax. The tax shall be levied on the gross receipts or gross proceeds
9 derived from rentals of licensed motor vehicles from an on-airport rental
10 operator and rentals of licensed motor vehicles from an off-airport rental
11 operator, if the off-airport rental operator picks up the customer at the
12 airport or delivers the motor vehicle to the customer of the airport.

13 (b) The tax shall be collected, reported, and paid in the same manner
14 and at the same time as is prescribed by law for the collection, reporting
15 and payment of the tax imposed by the Arkansas Gross Receipts Tax, Arkansas
16 Code 26-52-101, et seq.

17 (c) The revenues collected by the Director of the Department of
18 Finance and Administration under this section shall be deposited as special
19 revenues in the State Treasury to the credit of the Arkansas Department of
20 Aeronautics Fund and shall be used for the purposes provided in Arkansas Code
21 27-115-110.

22 (d) For the purpose of this section:

23 (1) "On-airport rental operators" means a rental car company
24 that operates from the airport.

25 (2) "Off-airport rental operators" means a rental car company
26 licensed by the airport to pick up customers at the airport.

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

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33 SECTION 4. If any provision of this act or the application thereof to
34 any person or circumstance is held invalid, such invalidity shall not affect
35 other provisions or applications of the act which can be given effect without

1 the invalid provision or application, and to this end the provisions of this
2 act are declared to be severable.

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4 SECTION 5. All laws and parts of laws in conflict with this act are
5 hereby repealed.

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/s/Canada

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As Engrossed: 4/4/95 4/5/95

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