

1 State of Arkansas

2 81st General Assembly

3 Regular Session, 1997

H.C.R. 1008

4 By: Representative J. Hudson

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HOUSE CONCURRENT RESOLUTION

8 URGING ALL CURRENT AND FUTURE MEMBERS OF THE GENERAL

9 ASSEMBLY TO EXCLUDE FOOD FROM ANY FUTURE INCREASES IN THE

10 STATE SALES TAX.

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Subtitle

13 URGING ALL CURRENT AND FUTURE MEMBERS OF

14 THE GENERAL ASSEMBLY TO EXCLUDE FOOD

15 FROM ANY FUTURE INCREASES IN THE STATE

16 SALES TAX.

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18 WHEREAS, sales and excise taxes are the most regressive kinds of taxes

19 that states can impose; and

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21 WHEREAS, Arkansas sales and excise taxes account for half of total

22 Arkansas state and local tax revenues; and

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24 WHEREAS, the sales and excise tax is very high compared to the national

25 average, ranking 11th nationwide as a share of personal income; and

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27 WHEREAS, between 1980 and 1993, Arkansas sales and excise taxes grew

28 from 4% of personal income to 4.9%, placing them 25% above the national

29 average; and

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31 WHEREAS, Arkansas general sales taxes rose from 2.3% of personal income

32 in 1980 to 3.4% in 1993, which was the fastest general sales tax growth rate

33 of any state in the nation; and

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35 WHEREAS, Arkansas sales tax base is considerably broader than the base

36 in most other states due in part to its general sales tax on groceries; and

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2 WHEREAS, Arkansas is one of only 19 states that applies its general
3 sales tax to groceries; and

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5 WHEREAS, these factors result in low-income Arkansans paying more than 6
6 times as large a share of their incomes in sales and excise taxes as do the
7 wealthiest people in the State; and

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9 WHEREAS, exempting groceries from all future increases in the sales tax
10 will relieve a portion of the State tax burden from all taxpayers of the
11 state, especially low and middle income taxpayers.

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13 NOW THEREFORE,

14 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE EIGHTY-FIRST GENERAL
15 ASSEMBLY OF THE STATE OF ARKANSAS, THE SENATE CONCURRING THEREIN:

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17 THAT the General Assembly urges all current and future members of the
18 Arkansas General Assembly to exempt groceries from any and all increases in
19 the State sales tax.

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