

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas  
2 82nd General Assembly  
3 Regular Session, 1999

*As Engrossed: 1/19/99*  
**A Bill**

HOUSE BILL 1118

4  
5 By: Representative Ferguson  
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8 **For An Act To Be Entitled**

9 "AN ACT TO ALLOW LOCAL SALES TAX ON HOTEL, MOTEL AND  
10 RESTAURANT RECEIPTS TO BE COLLECTED BY THE DEPARTMENT  
11 OF FINANCE AND ADMINISTRATION; AND FOR OTHER  
12 PURPOSES. "  
13

14 **Subtitle**

15 "AN ACT TO ALLOW LOCAL SALES TAX ON  
16 HOTEL, MOTEL AND RESTAURANT RECEIPTS TO  
17 BE COLLECTED BY THE DEPARTMENT OF  
18 FINANCE AND ADMINISTRATION. "  
19  
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
22

23 SECTION 1. Arkansas Code § 26-75-603(b) relating to the collection of  
24 sales tax on hotel, motel and restaurant receipts is amended to read as  
25 follows:

26 "(b)(1) The person paying the tax shall report and remit it upon forms  
27 provided by the commission, and as directed by the commission. The rules,  
28 regulations, forms of notice, assessment procedures, and the enforcement and  
29 collection of the tax under the Arkansas Gross Receipts Act of 1941, § 26-52-  
30 101 et seq. and the Arkansas Tax Procedure Act, § 26-18-101, et seq., shall,  
31 so far as practicable, be applicable with respect to the practicable, be  
32 applicable with respect to the enforcement and collection of the tax levied  
33 pursuant to the authority of this subchapter. However, the administration and  
34 enforcement, and all actions, shall be by, and in the name of, the commission  
35 through the proper commission officials or agents. The commission shall have  
36 the authority to sue and be sued in its name. ~~The Department of Finance and~~

1 ~~Administration shall have no authority to enforce or collect the tax levied~~  
2 ~~pursuant to this subchapter.~~

3 (2) (A) The commission is authorized to designate the Department of  
4 Finance and Administration as its agent to collect the tax levied pursuant to  
5 this authority. The commission shall notify the Department in writing of its  
6 decision to designate the Department as its agent. The Department shall begin  
7 collecting the tax within sixty days of receipt of the commission's written  
8 notice.

9 (B) The director shall maintain a record of the total amount of  
10 tax collected pursuant to this subchapter and shall deposit the revenues  
11 collected with the State Treasurer in the Local Sales and Use Tax Trust Fund.

12 (C) The State Treasurer shall transmit to the commission the  
13 amount of tax collected under this subchapter periodically, as promptly as  
14 feasible, but no less than monthly. Before transmitting the funds, the State  
15 Treasurer shall deduct three percent (3%) of the sum collected each period as  
16 a charge for the state for its services. The amount deducted shall be  
17 deposited to the credit of the Constitutional and Fiscal Agencies Fund.

18 (D) The Department of Finance and Administration shall promulgate  
19 regulations to implement the collection of taxes authorized in this  
20 subchapter."

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22 SECTION 2. Arkansas Code § 14-20-112(b) and (c) relating to county gross  
23 receipts tax on hotels and restaurants is amended to read as follows:

24 "(b)(1) When any county levies the tax authorized in this section, the  
25 tax so levied shall be paid by the persons, firms, and corporations liable  
26 therefor and shall be collected by the levying county in the same manner and  
27 at the same time as the gross receipts tax levied by § 26-52-101 et seq.

28 (2)(A)(i) The quorum court levying such tax and the governing  
29 body of the city levying a like tax may enter into an agreement whereby the  
30 tax levied by the county will be collected by the city.

31 (ii) If the tax levied by the county is collected by  
32 the city, all revenues derived from the tax shall be deposited in the city  
33 advertising and promotion fund.

34 (B) The quorum court levying the tax may designate the tax  
35 to be collected by the Department of Finance and Administration as set forth  
36 in § 26-75-603(b)(2).

