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	As Engrossed: 1/19/99	
2	82nd General Assembly	A Bill	
3	Regular Session, 1999		HOUSE BILL 1118
4			
5	By: Representative Ferguson	n	
6			
7			
8		For An Act To Be Entitled	
9	"AN ACT TO ALLOW LOCAL SALES TAX ON HOTEL, MOTEL AND		
10	RESTAURAN	IT RECEIPTS TO BE COLLECTED BY THE DE	EPARTMENT
11	OF FINANC	E AND ADMINISTRATION; AND FOR OTHER	
12	PURPOSES.	н	
13			
14		Subtitle	
15	"AN	ACT TO ALLOW LOCAL SALES TAX ON	
16	НОТЕ	EL, MOTEL AND RESTAURANT RECEIPTS TO	
17	BE C	COLLECTED BY THE DEPARTMENT OF	
18	FINA	ANCE AND ADMINISTRATION."	
19			
20			
21	BE IT ENACTED BY THE	GENERAL ASSEMBLY OF THE STATE OF ARK	(ANSAS:
22			
23	SECTION 1. Ark	ansas Code § 26-75-603(b) relating t	to the collection of
24	sales tax on hotel, m	otel and restaurant receipts is amer	nded to read as
25	follows:		
26	"(b) <u>(1)</u> The pe	rson paying the tax shall report and	d remit it upon forms
27	provided by the commi	ssion, and as directed by the commis	ssion. The rules,
28	regulations, forms of	notice, assessment procedures, and	the enforcement and
29	collection of the tax	under the Arkansas Gross Receipts A	Act of 1941, § 26-52-
30	101 et seq. and the A	rkansas Tax Procedure Act, § 26-18-1	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 nam	ne 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 Departm	ment of Finance and



As Engrossed: 1/19/99

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."		
21			
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	<u>in § 26-75-603(b)(2).</u>		

2

(B)(C) If the tax is collected by the levying county, all
 revenues derived from the tax, after deducting an amount equal to the cost of
 collecting it, shall be deposited in the advertising and promotion fund of the
 city located within the county that levies a like tax.

5 (C)(D) All such funds deposited in the city advertising and
6 promotion fund shall be used for the purposes prescribed in §§ 26-75-601 - 267 75-613.

(c) When any county levies a tax as authorized in this section, the tax 8 9 shall be reported and remitted in the manner and on forms prescribed by the county or the city or the Department of Finance and Administration, and the 10 provisions of § 26-52-101 et seq., relating to rules, regulations, forms of 11 12 notice, assessment procedures, and the enforcement and collection of the 13 Arkansas gross receipts tax shall be applicable with respect to the enforcement and collection of any tax levied pursuant to this section, so far 14 15 as practicable."

16

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

20

SECTION 4. If any provision of this Act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

26

27 SECTION 5. All laws and parts of laws in conflict with this Act are 28 hereby repealed.

/s/ Ferguson

2	9
3	0