

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

# A Bill

HOUSE BILL 1414

4  
5 By: Representative W. Walker  
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## For An Act To Be Entitled

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9 "AN ACT TO LEVY AN ADDITIONAL GROSS RECEIPTS AND  
10 COMPENSATING USE TAX OF ONE PERCENT (1%); TO DEDICATE  
11 THE ADDITIONAL REVENUES FOR THE REPAIR AND RENOVATION  
12 OF PUBLIC SCHOOLS; AND FOR OTHER PURPOSES. "  
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## Subtitle

14  
15 "AN ACT TO LEVY AN ADDITIONAL GROSS  
16 RECEIPTS AND COMPENSATING USE TAX OF ONE  
17 PERCENT (1%); TO DEDICATE THE ADDITIONAL  
18 REVENUES FOR THE REPAIR AND RENOVATION  
19 OF PUBLIC SCHOOLS. "  
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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24 SECTION 1. In addition to the excise tax levied upon the gross proceeds  
25 or gross receipts derived from all sales by the Arkansas Gross Receipts Act,  
26 beginning at Arkansas Code 26-52-101, there is levied an excise tax of one  
27 percent (1%) upon all taxable sales of property and services subject to the  
28 tax levied in that act. This tax shall be collected, reported, and paid in  
29 the same manner and at the same time as is prescribed by law for the  
30 collection, reporting, and payment of all other Arkansas gross receipts taxes.  
31 In computing gross receipts or gross proceeds as defined in Arkansas Code 26-  
32 52-103(a)(4), a deduction shall be allowed for bad debts resulting from the  
33 sale of tangible personal property.  
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35 SECTION 2. In addition to the excise tax levied upon the privilege of  
36 storing, using, distributing, or consuming tangible personal property within

1 this state by the Arkansas Compensating Tax Act, beginning at Arkansas Code  
2 26-53-101, there is levied an excise tax of one percent (1%) upon all tangible  
3 personal property subject to the tax levied in that act, and the tax shall be  
4 collected, reported, and paid in the same manner and at the same time as is  
5 prescribed by law for the collection, reporting, and payment of state  
6 compensating taxes."

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8 SECTION 3. (a) There is established on the books of the Treasurer of  
9 State, Auditor of State, and the Chief Fiscal Officer of the State a special  
10 revenue fund account to be known as the "School Repair and Renovation Fund."

11 (b) All moneys collected under this act shall be deposited to the  
12 credit of that account as special revenues and shall be used by the Department  
13 of Education for grants to public school districts for making repairs to  
14 school facilities or to renovate school facilities.

15 (c) Grants to public school districts from the School Repair and  
16 Renovation Fund shall be awarded based on need. The State Board of Education  
17 shall establish grant criteria by regulation.

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19 SECTION 4. The taxes levied by this act shall become effective on July  
20 1, 1999 and shall expire on July 1, 2001.

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22 SECTION 5. All provisions of this act of a general and permanent nature  
23 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
24 Revision Commission shall incorporate the same in the Code.

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26 SECTION 6. If any provision of this act or the application thereof to  
27 any person or circumstance is held invalid, such invalidity shall not affect  
28 other provisions or applications of the act which can be given effect without  
29 the invalid provision or application, and to this end the provisions of this  
30 act are declared to be severable.

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32 SECTION 7. All laws and parts of laws in conflict with this act are  
33 hereby repealed.

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35 SECTION 8. EMERGENCY CLAUSE. It is hereby found and determined by the  
36 Eighty-second General Assembly that many school buildings are in need of

1 immediate repair; that a number of the school districts do not have sufficient  
2 resources to adequately address the problem; and that state assistance is  
3 necessary to help school districts make repairs and renovations. Therefore,  
4 an emergency is declared to exist and this act being immediately necessary for  
5 the preservation of the public peace, health and safety shall become effective  
6 on July 1, 1999.

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