

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

# A Bill

HOUSE BILL 1611

4  
5 By: Representative T. Smith  
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## For An Act To Be Entitled

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9 "AN ACT TO AMEND ARKANSAS CODE 3-9-213, 3-9-234, AND  
10 3-9-235 TO ABOLISH THE REQUIREMENT OF A BOND TO SECURE  
11 PAYMENT OF MIXED DRINK TAX; AND FOR OTHER PURPOSES. "  
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## Subtitle

13  
14 "TO AMEND ARKANSAS CODE 3-9-213, 3-9-234,  
15 AND 3-9-235 TO ABOLISH THE REQUIREMENT  
16 OF A BOND TO SECURE PAYMENT OF MIXED  
17 DRINK TAX. "  
18  
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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22 SECTION 1. Arkansas Code 3-9-213(c) is amended to read as follows:

23 "(c) The supplemental tax shall be reported, and paid, to the Director  
24 of the Department of Finance and Administration in the same manner and at the  
25 same time as the gross receipts tax and shall be subject to such reasonable  
26 rules and regulations as the Director of the Department of Finance and  
27 Administration may prescribe, including the maintenance of permanent records  
28 showing all purchases and sales of alcoholic beverages ~~and the requirement of~~  
29 ~~a bond to secure payment.~~ "  
30

31 SECTION 2. Arkansas Code 3-9-234(b) is amended to read as follows:

32 "(b) If any permittee shall fail to remit the supplemental tax upon  
33 gross receipts within the time provided in § 3-9-223, a penalty of twenty-five  
34 percent (25%) shall be due and payable. If such taxes, plus penalty, are not  
35 paid within thirty (30) days from the due date, the Director of the Alcoholic  
36 Beverage Control Division shall revoke the permit of the permittee, and the

1 Director of the Department of Finance and Administration shall seek recovery  
 2 of the amount of such taxes and penalties due from the permittee ~~or his~~  
 3 ~~indemnity bond.~~"

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 5 SECTION 3. Arkansas Code 3-9-235(b) is amended to read as follows:

6 "(b) Permits may be suspended, cancelled, or revoked for the following  
 7 causes:

8 (1) Conviction of the permittee for violation of any of the  
 9 provisions of this subchapter;

10 (2) Willful failure or refusal by any permittee to comply with  
 11 any of the provisions of this subchapter or of any rule or regulation adopted  
 12 pursuant thereto;

13 (3) The making of any materially false statement in any  
 14 application for a permit;

15 (4) The possession for sale on the permitted premises of any  
 16 alcoholic beverages upon which applicable taxes have not been paid;

17 (5) The willful failure of any permittee to keep any records or  
 18 make any reports required by this subchapter or any rule or regulation adopted  
 19 thereunder or to allow an inspection of such records by any duly authorized  
 20 person;

21 (6) The suspension or revocation of a permit issued to the  
 22 permittee by the federal government or conviction of violating any federal law  
 23 relating to alcoholic beverages; ~~and.~~

24 ~~(7) The failure to furnish any bond required by the Director of~~  
 25 ~~the Department of Finance and Administration within fifteen (15) days after~~  
 26 ~~notice."~~

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 28 SECTION 4. This Act shall be effective on and after July 1, 1999.

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

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 34 SECTION 6. If any provision of this act or the application thereof to  
 35 any person or circumstance is held invalid, such invalidity shall not affect  
 36 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 7. All laws and parts of laws in conflict with this act are  
5 hereby repealed.

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7 SECTION 8. EMERGENCY CLAUSE. It is hereby found and determined by the  
8 Eighty-second General Assembly that the mixed drink tax bonding requirement is  
9 putting unnecessary hardship on the taxpayers in this state; that the current  
10 ABC renewal system prevents taxpayers from renewing their liquor permits if  
11 all tax obligations have not been fully satisfied; that the bonding  
12 requirement only serves to increase taxpayers' cost of doing business without  
13 providing any significant benefit to the state. Therefore, an emergency is  
14 declared to exist and this act being immediately necessary for the  
15 preservation of the public peace, health and safety shall become effective on  
16 July 1, 1999.