

State of Arkansas

82nd General Assembly

Regular Session, 1999

A Bill

HOUSE BILL 2185

By: Representative Kidd

For An Act To Be Entitled

"AN ACT PERTAINING TO THE ASSESSMENT OF INVENTORY OF
MERCHANTS; AND FOR OTHER PURPOSES."

Subtitle

"PERTAINING TO THE ASSESSMENT OF
INVENTORY OF MERCHANTS."

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

SECTION 1. (a) It is the intent of the General Assembly to provide a fair and equitable method, consistent with the Arkansas Constitution, for assessing inventory of merchants. The General Assembly recognizes the issues unique to merchants involving the acquisition and maintenance of inventory until such inventory is sold at a profit. The General Assembly further recognizes that the Assessment Coordination Department utilizes more than one method to value and assess merchants' inventory. The purpose of this act is to create a statute specifically identifying as appropriate, fair and constitutional, an assessment method utilized by the Assessment Coordination Department. It is not the purpose of this act to limit the valuation or assessment methods utilized by the Assessment Coordination Department.

(b) The assessment method to be utilized by the Assessment Coordination Department and applied to inventory in the possession or control of merchants, as defined by Arkansas Code § 12-26-1203(a), shall include the voluntary assessment by merchants identifying the average monthly sales of inventory sold at a profit.

(c) The method of determining the average value of inventory of merchants as described in subsection (b) shall be in accordance with Arkansas

1 Code §§ 26-26-1201(date of valuation), 26-26-1202(c) (valuation procedure for
2 personal property) and 26-26-1203(b) (time period of valuation for merchants).

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4 SECTION 2. All provisions of this act of a general and permanent nature
5 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
6 Revision Commission shall incorporate the same in the Code.

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8 SECTION 3. If any provision of this act or the application thereof to
9 any person or circumstance is held invalid, such invalidity shall not affect
10 other provisions or applications of the act which can be given effect without
11 the invalid provision or application, and to this end the provisions of this
12 act are declared to be severable.

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14 SECTION 4. All laws and parts of laws in conflict with this act are
15 hereby repealed.

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17 SECTION 5. EMERGENCY CLAUSE. It is hereby found and determined by the
18 Eighty-second General Assembly that merchants' inventory is unique in regard
19 to the procedure for assessment for personal property taxes and that this act
20 is necessary to provide a fair method of assessing such inventories.
21 Therefore, an emergency is declared to exist and this act being immediately
22 necessary for the preservation of the public peace, health and safety shall
23 become effective on the date of its approval by the Governor. If the bill is
24 neither approved nor vetoed by the Governor, it shall become effective on the
25 expiration of the period of time during which the Governor may veto the bill.
26 If the bill is vetoed by the Governor and the veto is overridden, it shall
27 become effective on the date the last house overrides the veto.