

Stricken language would be deleted from and underlined language would be added to the Arkansas Constitution.

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

HJR 1008

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5 By: Representative Milligan
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8 HOUSE JOINT RESOLUTION

9 "PROPOSING AN AMENDMENT TO THE ARKANSAS CONSTITUTION
10 TO PROVIDE A SEVENTY-FIVE THOUSAND DOLLAR (\$75,000)
11 EXEMPTION FROM AD VALOREM REAL AND PERSONAL PROPERTY
12 TAXES; TO LEVY AN ADDITIONAL ONE PERCENT (1%) GROSS
13 RECEIPTS AND COMPENSATING USE TAX TO COMPENSATE FOR
14 THE RESULTING LOSS IN REVENUE. "

15 Subtitle

16 "CONSTITUTIONAL AMENDMENT TO EXEMPT
17 \$75,000 FROM AD VALOREM REAL AND
18 PERSONAL PROPERTY TAXES; TO LEVY AN
19 ADDITIONAL 1% GROSS RECEIPTS AND
20 COMPENSATING USE TAX TO COMPENSATE FOR
21 THE REVENUE LOSS. "
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25 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE EIGHTY-SECOND GENERAL
26 ASSEMBLY OF THE STATE OF ARKANSAS AND BY THE SENATE, A MAJORITY OF ALL MEMBERS
27 ELECTED TO EACH HOUSE AGREEING THERETO:
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29 That the following is hereby proposed as an amendment to the
30 Constitution of the State of Arkansas, and upon being submitted to the
31 electors of the state for approval or rejection at the next general election
32 for Representatives and Senators, if a majority of the electors voting thereon
33 at such election, adopt such amendment, the same shall become a part of the
34 Constitution of the State of Arkansas, to wit:
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36 SECTION 1. The first seventy-five thousand dollars (\$75,000) of the

1 market value of real and personal property is exempt from ad valorem property
2 taxes.

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4 SECTION 2. There is hereby levied an additional excise tax of one
5 percent (1%) upon all taxable sales of property and services subject to the
6 tax levied by the Arkansas Gross Receipts Act (Arkansas Code §§ 26-52-101
7 through 26-52-1507). The tax shall be collected, reported, and paid in the
8 same manner and at the same time as is prescribed by the Arkansas Gross
9 Receipts Tax Act for the collection, reporting and payment of the Arkansas
10 gross receipts tax.

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12 SECTION 3. There is hereby levied an additional excise tax of one
13 percent (1%) upon all tangible personal property subject to the tax levied in
14 the Arkansas Compensating Tax Act (Arkansas Code 26-53-101 through 26-53-303).
15 The tax shall be collected, reported, and paid in the same manner and at the
16 same time as is prescribed by the Arkansas Compensating Tax Act for the
17 collection, reporting and payment of Arkansas compensating taxes.

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19 SECTION 4. (a) The revenues generated by Sections 2 and 3 of this act
20 shall be deposited in the "Property Tax Relief Fund" hereby created on the
21 books of the State Treasurer, State Auditor and the Chief Fiscal Officer of
22 the State.

23 (b) Beginning January 1, 2002, the revenues in the Property Tax Relief
24 Fund shall be distributed to the respective taxing units in the State which
25 levy ad valorem taxes, with each such taxing unit to receive a percentage of
26 the total funds in the Property Tax Relief Fund that the ad valorem tax
27 revenues lost by the taxing unit in the year 2002 (based on the year 2001
28 assessment) bears to the total amount of such revenues lost in the year 2002
29 (based on the year 2001 assessment) by all such taxing units in the State.
30 "Revenues lost" means the revenues lost as a result of the exemption set forth
31 in Section 1 of this amendment and shall not include revenues lost as a result
32 of any other cause. The revenues distributed to the taxing units pursuant to
33 this section shall be used for the same purpose and in the same manner as
34 those revenues lost as a result of Section 1 of this act.

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36 SECTION 5. The General Assembly shall enact legislation to implement

1 the provisions of this amendment.

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3 SECTION 6. The provisions of the act shall be effective for taxable
4 years beginning on and after January 1, 2001.

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