Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1	State of Arkansas	As Engrossed: H3/8/01_S3/26/01		
2	83rd General Assembly	A Bill		
3	Regular Session, 2001		HOUSE BILL 1931	
4				
5	By: Representative Ferguson			
6	By: Senator T. Smith			
7				
8				
9	For An Act To Be Entitled			
10	AN ACT TO PREVENT FILINGS WITH THE SECRETARY OF			
11	STATE IF FRANCHISE TAXES ARE OWED; AND FOR OTHER			
12	PURPOS	SES.		
13				
14	Subtitle			
15	TO PREVENT FILINGS WITH THE SECRETARY OF			
16	STA	ATE IF FRANCHISE TAXES ARE OWED.		
17				
18				
19	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:			
20				
21	SECTION 1. Arkansas Code Title 26, Chapter 54, Subchapter 1 is amended			
22	by adding an additional section to read as follows:			
23	26-54-114. Nonpayment of franchise taxes.			
24	<u>(a) No corpor</u>	ation or limited liability company sh	all be allowed to	
25	file any forms or documentation related to that corporation or limited			
26	liability company if the corporation or limited liability company owes past			
27	due franchise taxes to the Secretary of State.			
28	<u>(b) No person</u>	shall be allowed to file any initial	forms or	
29	documentation with the Secretary of State to create any legal entity in the			
30	<u>State of Arkansas, or to obtain authority to do business in the State of</u>			
31	Arkansas if that person is substantially connected to any corporation or			
32	limited liability company that owes past due franchise taxes to the Secretary			
33	of State.			
34	(c) For purposes of this section:			
35	(1) "Past due franchise taxes" means only those taxes owed three			
36	<u>(3) years prior to t</u>	the year in which the current filing i	s presented;	



1	(2) "Substantially connected" means a present or past officer or		
2	<u>director of a corporation; and</u>		
3	(3) "Past officer or director" means a person that was		
4	associated with the corporation or limited liability company during the time		
5	that its charter was revoked for nonpayment of franchise taxes.		
6			
7	SECTION 2. EMERGENCY CLAUSE. It is found and determined by the		
8	General Assembly that this act is essential to the proper operation of the		
9	Secretary of State. Therefore, an emergency is declared to exist and this		
10	act being immediately necessary for the preservation of the public peace,		
11	health and safety shall become effective on the date of its approval by the		
12	<u>Governor. If the bill is neither approved nor vetoed by the Governor, it</u>		
13	shall become effective on the expiration of the period of time during which		
14	the Governor may veto the bill. If the bill is vetoed by the Governor and		
15	the veto is overridden, it shall become effective on the date the last house		
16	overrides the veto.		
17	/s/ Ferguson		
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