

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  
2 83rd General Assembly  
3 Regular Session, 2001  
4

As Engrossed: H3/12/01  
**A Bill**

HOUSE BILL 2205

5 By: Representative Ledbetter  
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8 **For An Act To Be Entitled**

9 AN ACT TO INCREASE THE RATE OF TAXATION ON THE  
10 COMPONENTS OF BROMINE PRODUCTION; AND FOR OTHER  
11 PURPOSES.  
12

13 **Subtitle**

14 TO INCREASE THE RATE OF TAXATION ON THE  
15 COMPONENTS OF BROMINE PRODUCTION.  
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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20 SECTION 1. Arkansas Code 26-58-111(9), concerning the severance tax on  
21 components of bromine production, is amended to read as follows:

22 (9) On salt water whose naturally dissolved components, or solutes,  
23 are used as source raw materials for bromine and other products derived from  
24 the same salt water used in the bromine production, ~~two dollars and forty-~~  
25 ~~five cents (\$2.45)~~ ten dollars and fifty cents (\$10.50) per thousand barrels  
26 (42,000 U. S. gallons);  
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28 SECTION 2. (a) The additional severance tax levied by this act in the  
29 amount of eight dollars and five cents (\$8.05) per thousand (1,000) barrels  
30 of bromine produced in this state shall be deposited as special revenues into  
31 the Public School Fund to be used to help fund public school teachers  
32 salaries.

33 (b)(1)(A) Within thirty (30) days after the effective date of this act  
34 the director shall increase the severance tax levied under subsection (a) of  
35 this section and Arkansas Code 26-58-111(9) by the cost-of-living adjustment  
36 (COLA) for the 2001 calendar year rounding each amount to the nearest dollar

1 (\$1.00).

2 (B) Not later than December 15, 2001, and of each  
3 subsequent calendar year, the director shall increase the severance taxes by  
4 the cost-of-living adjustment (COLA) for the next calendar year rounding each  
5 amount to the nearest dollar (\$1.00).

6 (C) The annual cost-of-living adjustment shall apply to  
7 the severance tax as contained in subsection (a) of this section and Arkansas  
8 Code 26-58-111(9).

9 (2)(A) For purposes of subsection (a) of this section and  
10 Arkansas Code 26-58-111(9), the cost-of-living adjustment for any calendar  
11 year is the percentage, if any, by which the Consumer Price Index for the  
12 calendar year preceding the taxable year exceeds the Consumer Price Index for  
13 the calendar year 1999.

14 (B) The Consumer Price Index for any calendar year is the  
15 average of the Consumer Price Index as of the close of the twelve-month  
16 period ending on August 31 of the calendar year.

17 (C) "Consumer Price Index" means the last Consumer Price  
18 Index for all urban consumers published by the Department of Labor.

19 (3) The adjusted credit amounts shall apply for tax years  
20 beginning on and after January 1, 2001.

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22 /s/ Ledbetter  
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