

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 84th General Assembly  
3 Regular Session, 2003  
4

# A Bill

SENATE BILL 785

5 By: Revenue & Tax - Senate  
6  
7

## For An Act To Be Entitled

9 AN ACT TO EXTEND THE SALES TAX TO REAL ESTATE  
10 COMMISSIONS, REAL ESTATE MANAGEMENT FEES, TITLE,  
11 ABSTRACT, AND SETTLEMENT FEES, AND REAL ESTATE  
12 CLOSING FEES; AND FOR OTHER PURPOSES.  
13

## Subtitle

14 TO EXTEND THE SALES TAX TO REAL ESTATE  
15 COMMISSIONS, REAL ESTATE MANAGEMENT  
16 FEES, TITLE, ABSTRACT, AND SETTLEMENT  
17 FEES, AND REAL ESTATE CLOSING FEES.  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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24 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 3, is  
25 amended to add an additional section to read as follows:

26 26-52-314. Real Estate Fees and Commissions.

27 (a) The excise tax levied by the Arkansas Gross Receipts Act, § 26-52-  
28 101, et seq., and by any act supplemental thereto, is levied on the gross  
29 receipts or gross proceeds derived from real estate broker services, real  
30 estate settlement charges and closing fees, and real estate management  
31 services related to the sale, lease, exchange, management of Arkansas real  
32 property, whether the services are performed by a person licensed by the  
33 Arkansas Real Estate Commission or otherwise.

34 (b) As used in this section:

35 (1) "Real estate broker services" mean those activities listed  
36 in § 17-42-103 for which a fee is paid; and



1           (2) "Real estate settlement charges and closing fees" include  
2 all fees for services related to the sale of Arkansas real property,  
3 including but not limited to abstract fees, title search fees, closing fees,  
4 but not including title insurance premiums.

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6           SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
7 General Assembly of the State of Arkansas that revenue available for the  
8 support of necessary state services has declined during the last twelve  
9 months as a result of the nationwide economic slow down; that without  
10 additional revenue, some state services will be reduced or eliminated; that  
11 some Arkansans will suffer as a result of service reductions or cuts; and  
12 that this bill will provide the necessary revenue to avoid state service  
13 reductions or cuts. Therefore, an emergency is declared to exist and this  
14 act being immediately necessary for the preservation of the public peace,  
15 health and safety shall become effective on July 1, 2003.