

1 State of Arkansas
2 84th General Assembly
3 First Extraordinary Session, 2003
4

A Bill

Call Item 17

HOUSE BILL 1052

5 By: Representative Sumpter
6
7

For An Act To Be Entitled

9 AN ACT TO INCREASE THE STATE GROSS RECEIPTS AND
10 USE TAX RATE BY ONE-EIGHTH OF ONE PERCENT; AND
11 FOR OTHER PURPOSES.
12

Subtitle

14 AN ACT TO INCREASE THE STATE GROSS
15 RECEIPTS AND USE TAX RATE BY ONE-EIGHTH
16 OF ONE PERCENT.
17
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 26-52-302, pertaining to additional gross
22 receipts tax, is amended to add a new subsection to read as follows:

23 (d)(1) Beginning June 1, 2003, there is levied an additional excise
24 tax of one-eighth of one percent (1/8 of 1%) upon all taxable sales of
25 property and services subject to the tax levied by the Arkansas Gross
26 Receipts Act of 1941, as amended, § 26-52-101 et seq.

27 (2) The tax shall be collected, reported, and paid in the same
28 manner and at the same time as is prescribed by the Arkansas Gross Receipts
29 Act of 1941, as amended, § 26-52-101 et seq., for the collection, reporting,
30 and payment of Arkansas gross receipts taxes.
31

32 SECTION 2. Arkansas Code § 26-53-107, pertaining to additional use
33 taxes, is amended to add a new subsection to read as follows:

34 (d)(1) Beginning June 1, 2003, there is hereby levied an additional
35 excise tax of one-eighth of one percent (1/8 of 1%) upon all tangible
36 personal property subject to the tax levied by the Arkansas Compensating Tax



1 Act of 1949, as amended, § 26-53-101 et seq.

2 (2) The tax shall be collected, reported, and paid in the same
3 manner and at the same time as is prescribed by the Arkansas Compensating Act
4 of 1949, as amended, § 26-53-101 et seq., for the collection, reporting, and
5 payment of Arkansas compensating taxes.

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7 SECTION 3. Arkansas Code § 6-5-301(a), pertaining to funding the
8 Educational Excellence Trust Fund, is amended to read as follows:

9 (a)(1) There is hereby established on the books of the Treasurer of
10 State, the Auditor of State, and the Chief Fiscal Officer of the State a fund
11 to be known as the "Educational Excellence Trust Fund".

12 (2) For each of the State's fiscal years, the Chief Fiscal
13 Officer of the State shall determine as an annual allocation for this fund an
14 amount based on the total ~~net general revenues as enumerated in § 19-6-201(1)~~
15 ~~and (2) state sales and use tax levied pursuant to §§ 26-52-301, 26-52-302(a)~~
16 ~~and (b), 26-53-106, and 26-53-107 (a) and (b),~~ which were collected in the
17 immediate past year, times a factor of 0.1414.

18
19 SECTION 4. EMERGENCY CLAUSE. It is found and determined by the
20 General Assembly of the State of Arkansas that revenue available for the
21 support of necessary state services has declined during the last twelve (12)
22 months as a result of the nationwide economic slowdown; that without
23 additional revenue, some state services will be reduced or eliminated; that
24 some Arkansans will suffer as a result of service reductions or cuts; and
25 that this bill will provide the necessary revenue to avoid state service
26 reductions or cuts. Therefore, an emergency is declared to exist and this
27 act being immediately necessary for the preservation of the public peace,
28 health and safety shall become effective on June 1, 2003.