

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 85th General Assembly
3 Regular Session, 2005

A Bill

HOUSE BILL 1067

4
5 By: Representative Borhauer
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For An Act To Be Entitled

8
9 AN ACT TO CREATE A BACK-TO-SCHOOL TAX-FREE
10 HOLIDAY BY EXEMPTING ITEMS OF CLOTHING, FOOTWEAR,
11 AND SCHOOL SUPPLIES FROM SALES AND USE TAX DURING
12 A LIMITED TIME PERIOD; AND FOR OTHER PURPOSES.
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Subtitle

14
15 AN ACT TO CREATE A BACK-TO-SCHOOL TAX-
16 FREE HOLIDAY BY EXEMPTING ITEMS OF
17 CLOTHING, FOOTWEAR, AND SCHOOL SUPPLIES
18 FROM SALES AND USE TAX DURING A LIMITED
19 TIME PERIOD.
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22 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 4 is amended
25 to add an additional section to read as follows:

26 26-52-438. Sales tax holiday.

27 (a) The gross receipts or gross proceeds derived from the sale of
28 clothing and footwear designed to be worn by a person and the gross receipts
29 or gross proceeds derived from the sale of school supplies commonly used by a
30 student in a course of study are exempted from the Arkansas Gross Receipts
31 Act of 1941, Arkansas Code 26-52-101 et seq., and the Arkansas Compensating
32 Tax Act of 1949, Arkansas Code 26-53-101 et seq., every year beginning at
33 12:01 a.m. on the first Friday in August and ending at 11:59 p.m. on the
34 following Sunday.

35 (b) Subsection (a) of this section does not apply to:

36 (1) Items of clothing, footwear, and school supplies that exceed



1 one hundred dollars (\$100);

2 (2) Special clothing or footwear that is primarily designed for
3 athletic activity or protective use and that is not normally worn except when
4 used for the athletic activity or protective use for which it is designed;

5 (3) Clothing accessories or equipment, and similar items worn on
6 the person or in conjunction with clothing;

7 (4) Protective equipment that is worn and designed as protection
8 of the wearer against injury or disease or as protection against damage or
9 injury of other persons or property but not suitable for general use; and

10 (5) The rental of clothing or footwear.

11 (c) The Department of Finance and Administration shall promulgate
12 rules and regulations to implement the provisions of this section.

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