

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 2660

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

9 AN ACT TO PROVIDE A SALES TAX EXEMPTION FOR WATER
10 SALES OF SUBORDINATE SERVICE DISTRICTS WITH A
11 POPULATION OF LESS THAN FIFTY (50) PEOPLE; AND
12 FOR OTHER PURPOSES.
13

Subtitle

14 AN ACT TO PROVIDE A SALES TAX EXEMPTION
15 FOR WATER SALES OF SUBORDINATE SERVICE
16 DISTRICTS WITH A POPULATION OF LESS THAN
17 FIFTY (50) PEOPLE.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended
24 to add an additional section to read as follows:

25 26-52-438. Water sales of subordinate service districts.
26 The gross receipts or gross proceeds derived from sales of water by a
27 subordinate service district created under § 14-14-709 with a population of
28 fewer than fifty (50) people as of the latest federal decennial census are
29 exempt from the Arkansas gross receipts tax levied by the Arkansas Gross
30 Receipts Tax Act of 1941, § 26-52-101 et seq., and the Arkansas Compensating
31 Tax Act of 1949, § 26-53-101 et seq., and all city and county sales and use
32 taxes.
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34 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
35 General Assembly of the State of Arkansas that users of water provided by a
36 subordinate service district are in some cases charged sales tax twice; that



1 such taxation is improper and should cease immediately; and that this act is
2 immediately necessary prior to the next billing cycle. Therefore, an
3 emergency is declared to exist, and this act being immediately necessary for
4 the preservation of the public peace, health, and safety shall become
5 effective on:

6 (1) The date of its approval by the Governor;

7 (2) If the bill is neither approved nor vetoed by the Governor,
8 the expiration of the period of time during which the Governor may veto the
9 bill; or

10 (3) If the bill is vetoed by the Governor and the veto is
11 overridden, the date the last house overrides the veto.

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