

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  
4

# A Bill

SENATE BILL 1173

5 By: Senator Hill  
6 By: Representative Thomason  
7

## For An Act To Be Entitled

10 AN ACT TO CHANGE THE EFFECTIVE DATE OF UNCODIFIED  
11 § 88 OF ACT 1273 OF 2003, AS AMENDED; AND FOR  
12 OTHER PURPOSES.  
13

## Subtitle

14 AN ACT TO CHANGE THE EFFECTIVE DATE OF  
15 UNCODIFIED § 88 OF ACT 1273 OF 2003.  
16  
17  
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Uncodified § 88 of Act 1273 of 2003, as amended, is amended  
22 to read as follows:

23 SECTION 88. Effective date. It is found and determined by the Eighty-  
24 fourth General Assembly that the Streamlined Sales Tax Agreement is necessary  
25 in order to stop the loss of sales tax revenue due to the rapid growth of  
26 internet sales, to level the playing field between local businesses and out-  
27 of-state businesses, and to negate the undue burden on interstate commerce;  
28 and that this act is necessary in order for Arkansas to be in compliance with  
29 the Streamlined Sales Tax Agreement. Under the Streamlined Sales Tax  
30 Agreement, when at least ten (10) states comprising at least twenty percent  
31 (20%) of the total population, as determined by the 2000 Federal census, of  
32 all states imposing a state sales tax have petitioned for membership and have  
33 been found to be in compliance with the requirements of the agreement, the  
34 agreement will become effective unless a specific effective date is otherwise  
35 given. While these contingencies have not been met, it is anticipated that  
36 they will be met on July 1, 2005. In order for Arkansas to be one (1) of the



1 governing states to the agreement, it must be in compliance with the  
2 Streamlined Sales Tax Agreement by July 1, 2005. Therefore, the provisions  
3 of this act shall become effective either on the effective date specified in  
4 that section or, if no effective date is listed in the section, then on ~~the~~  
5 ~~first day of the first quarter following the effective date of the~~  
6 ~~Streamlined Sales Tax Agreement~~ July 1, 2005.

7  
8 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
9 General Assembly of the State of Arkansas that this state is losing sales tax  
10 revenue due to the rapid growth of Internet sales; that several states have  
11 joined together and drafted a Streamlined Sales Tax Agreement to simplify and  
12 modernize sales and use tax administration in order to substantially reduce  
13 the burden of tax compliance; that it is anticipated that the required number  
14 of states will be found to be in compliance with the Streamlined Sales Tax  
15 Agreement as of July 1, 2005; that those states found to be in compliance as  
16 of July 1, 2005, will become the governing board for the Streamlined Sales  
17 Tax Agreement; and that this act is necessary in order for Arkansas to become  
18 one of the governing states to the Streamlined Sales Tax Agreement.  
19 Therefore, an emergency is declared to exist and this act being necessary for  
20 the preservation of the public peace, health, and safety shall become  
21 effective on July 1, 2005.