

State of Arkansas

85th General Assembly

Regular Session, 2005

# A Bill

SENATE BILL 441

By: Senators Hill, Broadway, Brown, Glover, Higginbothom, Horn, J. Jeffress, Lavery, Miller, Salmon, Steele, Trusty, Whitaker, Wooldridge

By: Representatives Mack, Stovall, Adcock, Blair, Bolin, Bond, Borhauer, Boyd, Bradford, Burris, Clemons, Cook, Cowling, D. Creekmore, Dangeau, Davenport, Dobbins, Dunn, Edwards, Elliott, Everett, Fite, Goss, R. Green, Hardwick, Harrelson, Jackson, D. Johnson, J. Johnson, Key, Kidd, Ledbetter, Maloch, J. Martin, Matayo, Mathis, Maxwell, Medley, Nichols, Ormond, Overbey, Petrus, S. Prater, Rankin, Reep, Roebuck, Saunders, Scroggin, L. Smith, Sullivan, Sumpter, Wells, Wills, Wyatt

## For An Act To Be Entitled

AN ACT TO PROVIDE FOR THE DISTRIBUTION OF THE  
RENTAL VEHICLE TAX; AND FOR OTHER PURPOSES.

## Subtitle

TO PROVIDE FOR THE DISTRIBUTION OF THE  
RENTAL VEHICLE TAX.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 26-52-311(c), concerning the distribution of the additional rental vehicle tax, is amended to read as follows:

(c)(1) There is also imposed another additional rental vehicle tax at the rate of five percent (5%) on the gross receipts or gross proceeds derived from the rentals of licensed motor vehicles leased for a period of less than thirty (30) days.

(2) Except as provided otherwise in this section, the tax shall be collected, reported, and paid in the same manner and at the same time as is prescribed by law for the collection, reporting, and payment of the gross receipts tax imposed by the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.

(3)(A)(i) The rental vehicle tax shall be remitted to the



1 director, ~~and the first two million eight hundred fifty thousand dollars~~  
2 ~~(\$2,850,000) each year~~ who shall deposit seventy-five percent (75%) of the  
3 net revenues derived from the tax imposed by this subsection ~~shall be~~  
4 ~~deposited~~ in the Arkansas Public Transit Trust Fund, which is created on the  
5 books of the Treasurer of State, the Auditor of State, and the Chief Fiscal  
6 Officer of the State.

7 (ii) The moneys shall be used by the Arkansas State  
8 Highway and Transportation Department for the purpose of acquiring federal  
9 matching funds for the purchase of public transportation vehicles, for public  
10 transit equipment or facilities, and for the operation of the United States  
11 Department of Transportation Federal Transit Administration Assistance  
12 programs.

13 (B) The remaining twenty-five percent (25%) of the  
14 revenues shall be deposited in the Department of Education Public School Fund  
15 Account to be used exclusively for teacher salaries.

16  
17 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
18 General Assembly of the State of Arkansas that public transportation  
19 vehicles, equipment, and facilities need to be purchased and replaced in  
20 order to serve the citizens of Arkansas and ensure their safety on the roads  
21 within this state; that matching federal funds are available that enables the  
22 State of Arkansas to receive financial assistance to purchase public  
23 transportation vehicles, equipment and facilities; and that for the proper  
24 administration of this act it should become effective at the beginning of the  
25 next fiscal year. Therefore, an emergency is declared to exist and this act  
26 being necessary for the preservation of the public peace, health, and safety  
27 shall become effective on July 1, 2005.