

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

As Engrossed: S1/27/05 S2/1/05

A Bill

SENATE BILL 9

5 By: Senator Altes
6 By: Representatives Borhauer, Harris
7

For An Act To Be Entitled

10 AN ACT TO CREATE A BACK-TO-SCHOOL TAX-FREE
11 HOLIDAY BY EXEMPTING ITEMS OF CLOTHING AND
12 FOOTWEAR FROM SALES AND USE TAX DURING A LIMITED
13 TIME PERIOD; AND FOR OTHER PURPOSES.
14

Subtitle

15 AN ACT TO CREATE A BACK-TO-SCHOOL TAX-
16 FREE HOLIDAY BY EXEMPTING ITEMS OF
17 CLOTHING AND FOOTWEAR FROM SALES AND USE
18 TAX DURING A LIMITED 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 for clothing and footwear.

27 (a) Gross receipts or gross proceeds derived from the sale of clothing
28 and footwear designed to be worn by a person are exempted from the Arkansas
29 Gross Receipts Act of 1941, §26-52-101 et seq., and the Arkansas Compensating
30 Tax Act of 1949, §26-53-101 et seq., every year beginning at 12:01 a.m. until
31 11:59 p.m. on the first Saturday in August.

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

33 (1) Items of clothing and footwear that exceed seventy-five
34 dollars (\$75.00);

35 (2) Special clothing or footwear that is primarily designed for
36 athletic activity or protective use and that is not normally worn except when



1 used for the athletic activity or protective use for which it is designed;

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

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

7 (5) The rental of clothing or footwear.

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

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11 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
12 General Assembly of the State of Arkansas that clothing school children is
13 very costly; that the cost of clothing school children is always increasing;
14 that to help defray the cost a sales tax holiday on the sale of clothing and
15 footwear is necessary; and that in order to ensure that families are able to
16 enjoy this exemption when purchasing schools clothes and footwear for the
17 upcoming school year this act should become effective on July 1, 2005.
18 Therefore, an emergency is declared to exist and this act being necessary for
19 the preservation of the public peace, health, and safety shall become
20 effective on July 1, 2005.

21 /s/ Altes

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