

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 86th General Assembly  
3 Regular Session, 2007  
4

# A Bill

HOUSE BILL 1029

5 By: Representatives Hall, Webb  
6  
7

## For An Act To Be Entitled

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.  
13

## Subtitle

14 TO CREATE A BACK-TO-SCHOOL TAX-FREE  
15 HOLIDAY BY EXEMPTING ITEMS OF CLOTHING,  
16 FOOTWEAR, AND SCHOOL SUPPLIES FROM SALES  
17 AND USE TAX DURING A LIMITED TIME  
18 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 26-52-441. Sales tax holiday.

27 (a) As used in this section:

28 (1)(A) "Clothing" means all human wearing apparel suitable for  
29 general use including footwear.

30 (B) Clothing does not include sewing equipment and  
31 supplies;

32 (2) "Clothing accessory or equipment" means an incidental item  
33 that is not clothing worn on the person or in conjunction with clothing;

34 (3)(A) "Computer" means an electronic device that accepts  
35 information in digital or similar form and manipulates it for a result based  
36 on a sequence of instructions.



- 1                   (B) "Computer" does not include:
- 2                    (i) Furniture;
- 3                    (ii) A system, device, or software designed or
- 4 intended primarily for recreational or non-educational use; or
- 5                    (iii) A video game designed or intended primarily
- 6 for recreational or non-educational use;

7                   (4)(A) "Computer software" means a set of coded instructions  
 8 designed to cause a computer or automatic data processing equipment to  
 9 perform a task.

- 10                   (B) "Computer software" does not include:
- 11                    (i) Furniture;
- 12                    (ii) A system, device, or software designed or
- 13 intended primarily for recreational or non-educational use; or
- 14                    (iii) A video game designed or intended primarily
- 15 for recreational or non-educational use;

16                   (5) "Protective equipment" means an item for human wear designed  
 17 for protection of the wearer against injury or disease or as protection  
 18 against damage or injury of other persons or property but not suitable for  
 19 general use;

20                   (6)(A) "School computer supply" means an item commonly used by a  
 21 student in a course of study in which a computer is used.

- 22                   (B) "School computer supply" includes:
- 23                    (i) Computer storage media, diskettes, and compact
- 24 disks;
- 25                    (ii) A handheld electronic scheduler that is not a
- 26 part of a cellular phone;
- 27                    (iii) A personal digital assistant that is not a
- 28 part of a cellular phone;
- 29                    (iv) A computer printer; and
- 30                    (v) A computer printer supply.

- 31                   (C) "School computer supply" does not include:
- 32                    (i) Furniture;
- 33                    (ii) A system, device, or software designed or
- 34 intended primarily for recreational or non-educational use; or
- 35                    (iii) A video game designed or intended primarily
- 36 for recreational or non-educational use;

1           (7) "School instructional material" means written material or a  
2 book commonly used by a student in a course of study as a reference to learn  
3 the subject being taught;

4           (8) "School supply" means an item commonly used by a student in  
5 a course of study; and

6           (9) "Sport or recreational equipment" means an item designed for  
7 human use and worn in conjunction with an athletic or recreational activity  
8 that is not suitable for general use.

9           (b) Except as limited under subsection (c) of this section, the  
10 following items are exempt from the excise tax imposed by this chapter every  
11 year for a seventy-two hour (72-hour) period beginning at 12:00 a.m. on the  
12 first Friday in August and ending at 12:00 a.m. on the following Monday:

13           (1) Clothing;

14           (2) A school supply;

15           (3) A computer, computer software, and school computer supply;

16 and

17           (4) School instructional material.

18           (c) Subsection (b) of this section does not apply to:

19           (1) A single item of clothing with a sales price exceeding one  
20 hundred dollars (\$100);

21           (2) A single school supply with a sales price that exceeds one  
22 hundred dollars (\$100);

23           (3) Clothing accessory or equipment;

24           (4) Sport or recreational equipment;

25           (5) Protective equipment;

26           (6) The rental of clothing; and

27           (7) A single purchase of a computer, computer software, and any  
28 school computer supply with a sales price exceeding seven hundred fifty  
29 dollars (\$750).

30           (d) The Department of Finance and Administration shall promulgate  
31 rules that do not conflict with the Streamlined Sales and Use Tax Agreement  
32 to implement this section including without limitation a list of specific  
33 articles and items qualifying for the exemption pursuant to this section.

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