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	As Engrossed: H2/6/07	
2	86th General Assembly	A Bill	
3	Regular Session, 2007		HOUSE BILL 1029
4			
5	By: Representatives Hall, Wel	bb	
6			
7			
8		For An Act To Be Entitled	
9	AN ACT T	O CREATE A BACK-TO-SCHOOL TAX-FRE	E
10	HOLIDAY	BY EXEMPTING ITEMS OF CLOTHING, FO	OOTWEAR,
11	AND SCHO	OL SUPPLIES FROM SALES AND USE TA	X DURING
12	A LIMITE	D TIME PERIOD; AND FOR OTHER PURP	OSES.
13			
14		Subtitle	
15	TO CR	EATE A BACK-TO-SCHOOL TAX-FREE	
16	HOLID	AY BY EXEMPTING ITEMS OF CLOTHING	,
17	FOOTW	EAR, AND SCHOOL SUPPLIES FROM SAL	ES
18	AND U	SE TAX DURING A LIMITED TIME	
19	PERIO.	D.	
20			
21			
22	BE IT ENACTED BY THE GR	ENERAL ASSEMBLY OF THE STATE OF AF	RKANSAS:
23			
24	SECTION 1. Arkar	nsas Code Title 26, Chapter 52, Su	ubchapter 4 is amended
25	to add an additional se	ection to read as follows:	
26	<u>26-52-441. Sales</u>	s tax holiday.	
27	(a) As used in th	nis section:	
28	<u>(1) "Clotl</u>	hing" means all human wearing appa	arel suitable for
29	general use including	footwear;	
30	<u>(2) "Clotl</u>	hing accessory or equipment" means	s an incidental item
31	that is not clothing wo	orn on the person or in conjunction	on with clothing;
32	<u>(3) "Comp</u>	uter" means an electronic device t	that accepts
33	information in digital	or similar form and manipulates	it for a result based
34	on a sequence of instru	uctions;	
35	<u>(4) "Comp</u>	uter software" means a set of code	ed instructions
36	designed to cause a con	mputer or automatic data processi	ng equipment to

1	perform a task;		
2	(5) "Protective equipment" means an item for human wear designed		
3	for protection of the wearer against injury or disease or as protection		
4	against damage or injury of other persons or property but not suitable for		
5	general use;		
6	(6) "School computer supply" means an item commonly used by a		
7	student in a course of study in which a computer is used;		
8	(7) "School instructional material" means written material or a		
9	book commonly used by a student in a course of study as a reference to learn		
10	the subject being taught;		
11	(8) "School supply" means an item commonly used by a student in		
12	a course of study; and		
13	(9) "Sport or recreational equipment" means an item designed for		
14	human use and worn in conjunction with an athletic or recreational activity		
15	that is not suitable for general use.		
16	(b) Except as limited under subsection (c) of this section, the		
17	following items are exempt from the excise tax imposed by this chapter every		
18	year for a seventy-two hour (72-hour) period beginning at 12:00 a.m. on the		
19	first Friday in August and ending at 12:00 a.m. on the following Monday:		
20	(1) Clothing;		
21	(2) A school supply;		
22	(3) A computer, computer software, and school computer supply;		
23	<u>and</u>		
24	(4) School instructional material.		
25	(c) Subsection (b) of this section does not apply to:		
26	(1) A single item of clothing with a sales price exceeding one		
27	hundred dollars (\$100);		
28	(2) A single school supply with a sales price that exceeds one		
29	hundred dollars (\$100);		
30	(3) Clothing accessory or equipment;		
31	(4) Sport or recreational equipment;		
32	(5) Protective equipment;		
33	(6) The rental of clothing; and		
34	(7) A single purchase of a computer, computer software, and any		
35	school computer supply with a sales price exceeding seven hundred fifty		
36	dollars (\$750).		

HB1029

1	(d) The Department of Finance and Administration shall promulgate	
2	rules that do not conflict with the Streamlined Sales and Use Tax Agreement	
3	to implement this section including without limitation a list of specific	
4	articles and items qualifying for the exemption pursuant to this section.	
5		
6	SECTION 2. EMERGENCY CLAUSE. It is found and determined by the	
7	General Assembly of the State of Arkansas that preparing children to return	
8	to school is very costly and that to help defray the cost a sales tax holiday	
9	on the sale of clothing, footwear, and school supplies is necessary.	
10	Therefore, an emergency is declared to exist and this act being necessary for	
11	the preservation of the public peace, health, and safety shall become	
12	effective on July 1, 2007.	
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14	/s/ Hall, et al	
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