

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
5 By: Representative Key
6 By: Senator Womack
7
8

A Bill

HOUSE BILL 1365

For An Act To Be Entitled

AN ACT REQUIRING VOTER APPROVAL OF CERTAIN TAX
LEVIES; AND FOR OTHER PURPOSES.

Subtitle

REQUIRING VOTER APPROVAL OF CERTAIN TAX
LEVIES.

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

SECTION 1. Arkansas Code § 26-74-501 is amended to read as follows:
26-74-501. Levy of tax.

Any county which does not levy a tax under § 14-20-112, county gross receipts tax on hotels and restaurants, and in which there is not located a city which levies a tax under § 26-75-602 or § 26-75-701, may, by either an ordinance of the county quorum court under § 26-74-502(a) or through petition ~~pursuant to~~ under § 26-74-502(a)(b), levy a tax in the amount necessary for the payment of bonds issued or indebtedness incurred by the county public facilities board for the purposes prescribed in this subchapter, but in no event to exceed two percent (2%) upon the gross receipts or gross proceeds from either or both of the following:

(1) Gross receipts or gross proceeds from the renting, leasing, or otherwise furnishing of hotel, motel, or short term condominium rental accommodations for sleeping, meeting, or party room facilities for profit in such city, but such accommodations shall not include the rental or lease of such accommodations for periods of thirty (30) days or more;

(2) Portions of gross receipts or gross proceeds received by



1 restaurants, cafes, cafeterias, delis, drive-in restaurants, carry-out
 2 restaurants, concession stands, convenience stores, grocery store-
 3 restaurants, and similar businesses as shall be defined in the levying
 4 ordinance, from the sale of prepared food and beverages for on-premises or
 5 off-premises consumption, but such tax shall not apply to such gross receipts
 6 or gross proceeds of fraternal organizations qualified under section
 7 501(c)(3) of the federal Internal Revenue Code.

8
 9 SECTION 2. Arkansas Code § 26-74-502 is amended to read as follows:
 10 26-74-502. Petitions requesting an election.

11 (a)(1) If a county quorum court enacts an ordinance levying a tax
 12 under § 26-74-501, the tax shall not become effective until approved by
 13 voters at the next election of county officials.

14 (2) The tax shall be levied upon approval of a majority of the
 15 qualified electors voting on the issue at the election.

16 ~~(a)(b)(1)~~ If petitions are filed requesting an election for an
 17 initiated ordinance levying the tax authorized under this subchapter, the
 18 quorum court shall submit the question of the levying of the tax to the
 19 electors.

20 (2) The petitions must be signed by not less than five hundred
 21 (500) electors of the county.

22 (3) The election shall be held within one hundred twenty (120)
 23 days of the filing of the petitions.

24 (4) The tax shall be levied upon approval of a majority of the
 25 qualified electors voting on the issue at the election.

26 ~~(b)(c)(1)~~ If petitions requesting a referendum election are filed, the
 27 quorum court levying a tax under this subchapter shall submit the question of
 28 the levying of the tax to the electors.

29 (2) The petitions must be signed by not less than five hundred
 30 (500) electors of the county and must be filed with the quorum court within
 31 thirty (30) days after the adoption of the ordinance levying the tax.

32
 33 SECTION 3. Arkansas Code § 26-75-602(a), concerning certain authorized
 34 gross receipts taxes, is amended to read as follows:

35 (a)(1) Any city of the first class, city of the second class, or
 36 incorporated town may, by ordinance of the governing body ~~thereof~~, levy a tax

1 not to exceed three percent (3%) upon the gross receipts or gross proceeds
2 identified in subsection (c) of this section.

3 (2)(A) If the governing body enacts an ordinance levying a tax
4 under this section, the ordinance shall not become effective and the tax
5 shall not be levied until approved by voters at the next election of
6 aldermen.

7 (B) The tax shall be levied upon approval of a majority of
8 the qualified electors voting on the issue at the election.

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36