

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

As Engrossed: S1/30/07

# A Bill

SENATE BILL 31

5 By: Senators Madison, *Salmon*  
6 By: Representatives Harrelson, Burris  
7

## For An Act To Be Entitled

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9  
10 AN ACT TO PROHIBIT REFERRALS TO WEBSITES OF  
11 TEXTBOOK *RETAILERS* THAT ARE NOT REQUIRED TO  
12 COLLECT AND DO NOT AGREE TO PAY ARKANSAS SALES  
13 AND USE TAXES; AND FOR OTHER PURPOSES.  
14

## Subtitle

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16 TO PROHIBIT REFERRALS TO WEBSITES OF  
17 TEXTBOOK *RETAILERS* THAT ARE NOT REQUIRED  
18 AND DO NOT AGREE TO COLLECT ARKANSAS  
19 SALES AND USE TAXES.  
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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 6, Chapter 60, is amended to add an  
25 additional subchapter to read as follows:  
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### Subchapter 6 – Textbooks and course materials

#### 6-60-601. Website links for textbooks and course materials.

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29 (a) No state-supported institution of higher education in this state  
30 shall place or permit to be placed on its website or its bookstore's website  
31 a link to the website of a retailer of textbooks or other educational  
32 materials if the retailer:

33 (1) Is not required to report and pay Arkansas sales and use  
34 taxes; and

35 (2) Does not obtain a use tax permit from the Department of  
36 Finance and Administration and report and pay Arkansas sales and use taxes on



1 sales of textbooks and other educational materials to residents of this  
2 state.

3 (b) This section is intended to promote the state's ability to provide  
4 a quality but affordable higher education by strengthening the state's  
5 relationship with textbook retailers that support the state's educational  
6 mission by:

7 (1) Paying Arkansas sales and use taxes; and

8 (2) Interacting locally with state-supported institutions of  
9 higher education.

10 (c) Nothing in this section prevents a faculty member from referring  
11 students to any source for required or suggested textbooks or course  
12 materials.

13 (d)(1) A violation or suspected violation of subsection (a) of this  
14 section shall be reported to the Department of Finance and Administration.

15 (2) If the Department of Finance and Administration determines  
16 that a violation of subsection (a) of this section has occurred, it shall  
17 notify the state-supported institution of higher education of the violation.

18 (3) Upon receipt of notice from the Department of Finance and  
19 Administration under subdivision (d)(2) of this section, the state-supported  
20 institution of higher education shall take its website off-line for forty-  
21 eight (48) hours.

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23 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
24 General Assembly of the State of Arkansas that many retailers of textbooks  
25 outside of the State of Arkansas do not pay sales and use taxes to the state  
26 for in-state sales; that the additional revenue to be generated by the  
27 passage of this act is needed to help provide the best state-supported higher  
28 education possible; and that the loss of such sales and use tax revenue  
29 should be stopped or limited immediately. Therefore, an emergency is declared  
30 to exist and this act being immediately necessary for the preservation of the  
31 public peace, health, and safety shall become effective on:

32 (1) The date of its approval by the Governor;

33 (2) If the bill is neither approved nor vetoed by the Governor,  
34 the expiration of the period of time during which the Governor may veto the  
35 bill; or

36 (3) If the bill is vetoed by the Governor and the veto is

1 overridden, the date the last house overrides the veto.

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*/s/ Madison*

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