

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 87th General Assembly
3 Regular Session, 2009
4

As Engrossed: H2/11/09 H2/20/09

A Bill

HOUSE BILL 1358

5 By: Representatives Sample, Carroll, Clemmer, Dale, Dismang, R. Green, Hobbs, Kerr, Moore, Pyle,
6 Rice, Summers
7
8

For An Act To Be Entitled

10 AN ACT TO PROVIDE DIRECT RELIEF TO ARKANSAS
11 CONSUMERS BY REDUCING THE STATE SALES TAX ON
12 NATURAL GAS AND ELECTRICITY; AND FOR OTHER
13 PURPOSES.
14

Subtitle

15 AN ACT TO PROVIDE DIRECT RELIEF TO
16 ARKANSAS CONSUMERS BY REDUCING THE STATE
17 SALES TAX ON NATURAL GAS AND
18 ELECTRICITY.
19
20
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 *SECTION 1.* Arkansas Code Title 26, Chapter 52, Subchapter 3 is amended
25 to add an additional section to read as follows:

26 26-52-322. Natural or artificial gas and electricity sold to
27 consumers.

28 (a)(1) As used in this section, "consumer" means a person that
29 purchases natural gas, artificial gas, liquid petroleum gas, or electricity
30 for personal domestic use.

31 (2) "Consumer" does not include a person who purchases natural
32 gas, artificial gas, liquid petroleum gas, or electricity for use directly in
33 the actual manufacturing process.

34 (b)(1) Beginning July 1, 2009, an excise tax is levied on the gross
35 receipts or gross proceeds derived from the sale of natural gas, artificial
36 gas, liquid petroleum gas, or electricity to a consumer at the rate of four



1 percent (4.0%).

2 (c) Each fiscal year after 2009:

3 (1) The Director of the Department of Finance and Administration
4 shall determine whether the net general revenue from gross receipt or gross
5 proceeds taxes levied under §§ 26-52-301 and 26-52-302 reaches or exceeds one
6 hundred and fifty million dollars (\$150,000,000) for the previous fiscal
7 year.

8 (2) If the net general revenue collected from gross receipt or
9 gross proceeds taxes levied under §§ 26-52-301 and 26-52-302 reaches or
10 exceeds one hundred and fifty million dollars (\$150,000,000) for the previous
11 fiscal year, the gross receipts or gross proceeds tax rate levied in this
12 section is reduced by one percent (1.0%) for the following fiscal year
13 beginning on the first day of the second calendar month following the
14 determination of the director under subdivision (1) of this section and shall
15 remain at the new rate.

16 (d) The gross receipts or gross proceeds derived from the sale of
17 natural gas, artificial gas, liquid petroleum gas, or electricity to a
18 consumer shall continue to be subject to:

19 (1) The excise tax levied under Arkansas Constitution, Amendment
20 75, § 2; and

21 (2) All municipal and county gross receipts taxes.

22 (e) The excise tax levied in this section is collected, reported, and
23 paid in the same manner and at the same time as prescribed by law for the
24 collection, reporting, and payment of all other Arkansas gross receipts
25 taxes.

26 (f) The director shall promulgate rules to administer this section.

27
28 SECTION 2. Section 1 of this act becomes effective on the first day of
29 the calendar month following the effective date of this act.

30
31 /s/ Sample
32
33
34
35
36