

State of Arkansas
87th General Assembly
Regular Session, 2009

A Bill

SENATE BILL 909

By: Senator Salmon

For An Act To Be Entitled

AN ACT TO EXEMPT A PUBLIC OR A PRIVATE SCHOOL
FROM THE SALES AND USE TAX; AND FOR OTHER
PURPOSES.

Subtitle

TO EXEMPT A PUBLIC OR A PRIVATE SCHOOL
FROM THE SALES AND USE TAX.

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

SECTION 1. Arkansas Code § 26-52-401, concerning exemptions from the gross receipts tax,, is amended to add an additional subdivision to read as follows:

(39)(A) The gross receipts or gross proceeds derived from the sale of tangible personal property or services for financial support of a school if the proceeds of the sale are:

(i) Dedicated to an endowment for the school;

(ii) Used to the defray the cost of operations of the school; or

(iii) Used to defray the cost of activities offered by the school.

(B) As used in this subdivision (39), "school" means a public or private:

(i) Elementary school;

(ii) Junior high school or middle school;

(iii) High school or secondary school;

(iv) School foundation;



- 1 (v) School association; or
2 (vi) School affiliated club.

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4 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
5 General Assembly of the State of Arkansas that schools are still in session
6 and will be active in fundraising activities throughout the remainder of the
7 school year. In order to capture the maximum financial gain from these
8 events and increase the profits from the sales of goods or services that
9 ultimately are invested in the school, this act should be immediately
10 enacted. Therefore, an emergency is declared to exist and this act being
11 immediately necessary for the preservation of the public peace, health, and
12 safety shall become effective on:

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

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

17 (3) If the bill is vetoed by the Governor and the veto is
18 overridden, the date the last house overrides the veto.