

1 State of Arkansas  
2 88th General Assembly  
3 Regular Session, 2011  
4

As Engrossed: H3/16/11 H3/18/11 H3/28/11

# A Bill

HOUSE BILL 1737

5 By: Representatives Ingram, *Barnett, Hickerson*  
6 By: *Senator Salmon*  
7

## For An Act To Be Entitled

9 AN ACT TO PROVIDE THAT THE AMOUNT OF SALES AND USE  
10 TAX GENERATED FROM MOTOR VEHICLE AND RELATED SALES  
11 GOES TO THE ARKANSAS STATE HIGHWAY AND TRANSPORTATION  
12 DEPARTMENT AS NEW REVENUE FROM THE STREAMLINED SALES  
13 TAX IS GENERATED; AND FOR OTHER PURPOSES.  
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## Subtitle

17 TO PROVIDE THAT THE AMOUNT OF SALES AND  
18 USE TAX GENERATED FROM MOTOR VEHICLE AND  
19 RELATED SALES GOES TO THE ARKANSAS STATE  
20 HIGHWAY AND TRANSPORTATION DEPARTMENT AS  
21 NEW REVENUE FROM THE STREAMLINED SALES  
22 TAX IS GENERATED.  
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24

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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27 SECTION 1. Arkansas Code § 26-52-107 is amended to read as follows:  
28 26-52-107. Disposition of taxes, interest, and penalties.

29 (a) All taxes, interest, penalties, and costs received by the Director  
30 of the Department of Finance and Administration under the provisions of this  
31 chapter shall be general revenues and shall be deposited into the State  
32 Treasury to the credit of the State Apportionment Fund. The Treasurer of  
33 State shall allocate and transfer the same to the various State Treasury  
34 funds participating in general revenues in the respective proportions to each  
35 as provided by, and to be used for the respective purposes set forth in, the  
36 Revenue Stabilization Law, § 19-5-101 et seq.



1 (b)(1) When the Director of the Department of Finance and  
2 Administration determines that federal law authorizes the state to collect  
3 sales and use tax from sellers that do not have a physical presence in the  
4 state and that these sellers make sales of taxable goods and services to  
5 Arkansas purchasers and that the requirements of §§ 26-52-317(a) and 26-53-  
6 145(a) have been met, then:

7 (A) Each month, the Chief Fiscal Officer of the State  
8 shall certify to the Treasurer of State:

9 (i) The amount of available net general revenues  
10 attributable to the collection of sales and use tax from sellers that have no  
11 physical presence in the state that exceeds the total of:

12 (a) The available net general revenues from  
13 the voluntary amount of sales and use tax being collected from sellers that  
14 do not have a physical presence in the state before the enactment of federal  
15 law authorizing the state to collect the sales and use tax from sellers that  
16 do not have a physical presence in the state; and

17 (b) The available net general revenues from  
18 the sales and use tax that was required to be collected in order for §§ 26-  
19 52-317(a) and 26-53-145(a) to go into effect; and

20 (ii) The total of:

21 (a) The actual amount of available net general  
22 revenues from the sale of motor vehicles; and

23 (b) Six percent (6%) of the available net  
24 general revenues generated by §§ 26-52-301, 26-52-302(a), 26-52-302(b), 26-  
25 52-303, 26-52-317(c)(1)(A), 26-52-319(a)(4)(A), 26-53-106, 26-53-107(a), 26-  
26 53-107(b), 26-53-145(c)(1)(A), and 26-53-148(a)(4)(A), which reflects an  
27 amount attributable to auto-related sales and services.

28 (B) The Treasurer of State shall deposit into the State  
29 Highway and Transportation Department Fund the amount of available net  
30 general revenues as determined in subdivision (b)(1)(A)(i) of this section up  
31 to a maximum amount as determined in subdivision (b)(1)(A)(ii).

32 (2) As used in this section, "auto-related sales and services" means:

33 (A) All parts, including without limitation tires and  
34 batteries placed on or used by a motor vehicle; and

35 (B) All labor, installation, maintenance, and diagnostic  
36 services, including without limitation repair services performed on a motor

1 vehicle.

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*/s/Ingram*

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