

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

A Bill

HOUSE BILL 2230

4
5 By: Representative L. Cowling

For An Act To Be Entitled

8 AN ACT CONCERNING THE DISCLOSURE OF INFORMATION IN
9 FRANCHISE TAX REPORTS; TO DECLARE AN EMERGENCY; AND
10 FOR OTHER PURPOSES.

Subtitle

11
12
13 CONCERNING THE DISCLOSURE OF INFORMATION
14 IN FRANCHISE TAX REPORTS AND TO DECLARE
15 AN EMERGENCY.
16

17
18
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

20
21 SECTION 1. Arkansas Code § 26-18-303(b)(14), concerning exceptions to
22 the provisions against disclosure of tax records, is amended to read as
23 follows:

24 (14)~~(A)~~ Disclosure of the following information from corporate
25 franchise tax reports:

26 ~~(i)~~ (A) The name and address of the corporation;

27 ~~(ii)~~ (B) The name of the corporation's president, vice
28 president, secretary, treasurer, and controller;

29 ~~(iii)~~ (C) The total authorized capital stock with par
30 value;

31 ~~(iv)~~ (D) The total issued and outstanding capital stock
32 with par value; and

33 ~~(v)~~ (E) The state of incorporation; and

34 (F) The name of each member of the corporation;

35 ~~(B) In the case of a franchise tax report filed by an~~
36 ~~organization formed under the Small Business Entity Tax Pass Through Act, §~~



1 ~~4-32-101 et seq., the confidentiality provision of subsection (a) of this~~
 2 ~~section shall apply to the names of members of the organization, except those~~
 3 ~~designated in the organization's franchise tax report as a manager,~~
 4 ~~president, vice president, secretary, treasurer, or controller of the~~
 5 ~~organization, unless the organization has no registered agent for service of~~
 6 ~~process, in which case the confidentiality provisions of subsection (a) of~~
 7 ~~this section shall not apply;~~

8
 9 SECTION 2. Arkansas Code § 26-54-105(h), concerning franchise tax
 10 reports, is amended to read as follows:

11 (h)~~(1)~~ All information contained in a franchise tax report shall be
 12 confidential and not available for public inspection, except for the
 13 following:

- 14 ~~(A)~~ (1) The name and address of the corporation;
- 15 ~~(B)~~ (2) The name of the corporation's president, vice president,
 16 secretary, treasurer, and controller;
- 17 ~~(C)~~ (3) The total authorized capital stock with par value;
- 18 ~~(D)~~ (4) The total issued and outstanding capital stock with par
 19 value; and
- 20 ~~(E)~~ (5) The state of incorporation; and
- 21 (6) The name of each member of the corporation.

22 ~~(2) In the case of a franchise tax report filed by an~~
 23 ~~organization formed under the Small Business Entity Tax Pass Through Act, §~~
 24 ~~4-32-101 et seq., the names of members, except those designated in the~~
 25 ~~organizations' franchise tax report as a manager, president, vice president,~~
 26 ~~secretary, treasurer, or controller of the organization, shall be~~
 27 ~~confidential and not available for public inspection unless the organization~~
 28 ~~has no registered agent for service of process.~~

29
 30 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
 31 General Assembly of the State of Arkansas that this act concerns the
 32 disclosure of certain information in corporate franchise tax reports; that
 33 the release of this information is in the interest of the public at large;
 34 that it is sound public policy to require the disclosure of potential
 35 conflicts of interest in the public forum; and that this act is immediately
 36 necessary to protect the interests of all members of the public. Therefore,

1 an emergency is declared to exist and this act being immediately necessary
2 for the preservation of the public peace, health, and safety shall become
3 effective on:

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

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

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

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