

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013

A Bill

SENATE BILL 438

4
5 By: Senator Teague
6

7 For An Act To Be Entitled

8 AN ACT CONCERNING THE REVENUES DERIVED FROM THE TAX
9 ON DISTILLATE SPECIAL FUELS; TO ELIMINATE THE
10 DESIGNATION OF CERTAIN TAX REVENUES DERIVED FROM
11 SALES OF DISTILLATE SPECIAL FUELS AS GENERAL
12 REVENUES; AND FOR OTHER PURPOSES.
13
14

15 Subtitle

16 CONCERNING THE REVENUES DERIVED FROM THE
17 TAX ON DISTILLATE SPECIAL FUELS; TO
18 ELIMINATE THE DESIGNATION OF CERTAIN TAX
19 REVENUES DERIVED FROM SALES OF DISTILLATE
20 SPECIAL FUELS AS GENERAL REVENUES.
21
22

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
24

25 SECTION 1. Arkansas Code § 19-6-201(68), concerning the enumeration of
26 general revenues, is repealed.

27 ~~(68) The first four million dollars (\$4,000,000) of the eight~~
28 ~~and one-half cent (8½¢) tax on distillate special fuels levied each fiscal~~
29 ~~year under § 26-56-201(a)(1)(A)(i).~~
30

31 SECTION 2. Arkansas Code § 19-6-301(3)(A), concerning the enumeration
32 of special revenues, is amended to read as follows:

33 (A) Eight and one-half cent (8.5¢) tax on distillate
34 special motor fuels levied by § 26-56-201(a)(1)(A)(i), ~~after the deduction of~~
35 ~~the first four million dollars (\$4,000,000) each fiscal year under § 26-56-~~
36 ~~201(g)(1)~~ and one cent (1¢) tax on distillate special motor fuels levied by §



1 26-56-201(a)(1)(A)(ii);

2
3 SECTION 3. Arkansas Code § 26-56-201(f), concerning the disposition of
4 the revenues derived from the excise tax on distillate special fuel, are
5 amended to read as follows:

6 (f) ~~Except as provided in subsection (g) of this section, the~~ The
7 additional taxes collected under this section are special revenues and shall
8 be distributed as set forth in the Arkansas Highway Revenue Distribution Law,
9 § 27-70-201 et seq., subject to any requirements for the repayment of bonds
10 issued under the Arkansas Highway Financing Act of 1999, § 27-64-201 et seq.,
11 the Arkansas Interstate Highway Financing Act of 2007, § 27-64-401 et seq.,
12 and the Arkansas Highway Financing Act of 2011, § 27-64-501 et seq.

13
14 SECTION 4. Arkansas Code § 26-56-201(g), concerning the disposition of
15 the revenues derived from the excise tax on distillate special fuels, is
16 repealed.

17 ~~(g)(1) In order to offset the general revenues lost by the tax~~
18 ~~exemption contained in § 26-52-436(e) and (d) and § 26-53-144(e) and (d), the~~
19 ~~Chief Fiscal Officer of the State shall, on or before June 30, 2013, and on~~
20 ~~or before June 30 of each fiscal year thereafter, deposit the first four~~
21 ~~million dollars (\$4,000,000) of the taxes collected under subdivision~~
22 ~~(a)(1)(A)(i) of this section as general revenues, to be distributed as~~
23 ~~follows:~~

24 ~~(A) Seventy five percent (75%) to be deposited into the~~
25 ~~General Revenue Fund Account of the State Apportionment Fund, § 19-5-202;~~

26 ~~(B) Fourteen and six tenths percent (14.6%) to be~~
27 ~~deposited into the Educational Adequacy Fund, § 19-5-1227;~~

28 ~~(C) Eight and three tenths percent (8.3%) to be deposited~~
29 ~~into the Property Tax Relief Trust Fund, § 19-5-1103; and~~

30 ~~(D) Two and one tenth percent (2.1%) to be deposited into~~
31 ~~the Conservation Tax Fund, § 19-6-484.~~

32 ~~(2) The balance of the taxes collected under subdivision~~
33 ~~(a)(1)(A)(i) of this section shall be deposited as special revenues and~~
34 ~~distributed in the manner required by law.~~

35 ~~(3) The classification and distribution of taxes under~~
36 ~~subdivision (g)(1) of this section is subject to any requirements for the~~

1 ~~repayment of bonds issued under the Arkansas Highway Financing Act of 1999, §~~
2 ~~27-64-201 et seq., and the Arkansas Interstate Highway Financing Act of 2007,~~
3 ~~§ 27-64-401 et seq.~~

4 ~~(4) The taxes collected under subdivision (a)(1)(A)(ii) of this~~
5 ~~section shall be distributed as provided in § 26-56-221.~~