

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

# A Bill

SENATE BILL 832

4  
5 By: Senator Files  
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## For An Act To Be Entitled

8 AN ACT CONCERNING COUNTY SALES AND USE TAXES LEVIED  
9 FOR CAPITAL IMPROVEMENTS OF COMMUNITY COLLEGES; TO  
10 ALLOW THE EXTENSION OF THE PERIOD DURING WHICH A  
11 COUNTY SALES AND USE TAX LEVIED FOR CAPITAL  
12 IMPROVEMENTS OF A COMMUNITY COLLEGE MAY BE LEVIED AND  
13 SHALL NOT BE REPLACED OR REDUCED; AND FOR OTHER  
14 PURPOSES.  
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## Subtitle

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18 TO ALLOW THE EXTENSION OF THE PERIOD  
19 DURING WHICH A COUNTY SALES AND USE TAX  
20 LEVIED FOR CAPITAL IMPROVEMENTS OF A  
21 COMMUNITY COLLEGE MAY BE LEVIED AND SHALL  
22 NOT BE REPLACED OR REDUCED.  
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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27 SECTION 1. Arkansas Code § 26-74-603(c), concerning the call for a tax  
28 election for a county sales and use tax for capital improvements of a  
29 community college, is amended to read as follows:

30 (c)(1) The quorum court of an eligible county levying a tax under this  
31 subchapter may refer to the voters of the county the question of an extension  
32 of the period during which the tax is to be levied and an extension of the  
33 period during which the tax cannot be repealed or reduced.

34 (2) The end of the period for which the tax is levied shall be  
35 the last day of a calendar quarter.

36 (3) The election to extend the period during which the tax



1 authorized under this subchapter is to be levied and to extend the period  
 2 during which the tax cannot be repealed or reduced shall be called by  
 3 ordinance issued under § 7-11-201 et seq.

4 (4) An election to extend the period of the levy of the tax and  
 5 to extend the period during which the tax cannot be repealed or reduced is  
 6 not an election on the levy of the tax.

7 (d) The quorum court shall notify its county board of election  
 8 commissioners that ~~the~~ a measure has been referred to the vote of the people  
 9 under this section and shall submit a copy of the ordinance calling the  
 10 election and the proposed ballot language to its county board of election  
 11 commissioners.

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 13 SECTION 2. Arkansas Code § 26-74-604 is amended to read as follows:  
 14 26-74-604. Form of ballot.

15 (a) The ballot for ~~the~~ an election called under § 26-74-603(b) shall  
 16 be substantially in the form and of the content ~~as shall be~~ determined by the  
 17 quorum court of the eligible county.

18 (b) In addition to the question of the levy of the tax, the ballot for  
 19 the election called under § 26-74-603(b) at the request of the local board  
 20 may provide for the dissolution of the district pursuant to the merger of the  
 21 community college into the qualified university.

22 (c)(1) The ballot for an election called under § 26-74-603(b) may  
 23 provide for an effective date for the levy of the tax ~~in accordance with~~  
 24 under § 26-74-605(g) for termination or reduction of the tax after a  
 25 specified period and for restrictions on the power to repeal or reduce the  
 26 tax, ~~provided that~~ if the agreement for merger is entered into in reliance on  
 27 such restrictions.

28 (2) The period for which the tax cannot be repealed or reduced  
 29 shall not exceed thirty (30) years.

30 (d)(1) The ballot for an election called under § 26-74-603(c) on the  
 31 question of an extension of the period for the levy of the tax and the period  
 32 during which the tax cannot be reduced or repealed shall state the period  
 33 during which the levy of the tax is to be extended and the new period during  
 34 which the tax cannot be reduced or repealed.

35 (2) After giving effect to the proposed extension period, the  
 36 period for which the tax cannot be repealed or reduced shall not exceed

1 thirty (30) years from the effective date of the tax.

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 3 SECTION 3. Arkansas Code § 26-74-605(a), concerning the conduct of an  
 4 election on the levy of a county sales and use tax for capital improvements  
 5 of a community college, is amended to read as follows:

6 26-74-605. Conduct of election and results – Challenges.

7 (a) ~~The~~ An election called under § 26-74-603 shall be conducted in the  
 8 manner provided by law for all other county elections unless otherwise  
 9 specified in this subchapter.

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 11 SECTION 4. Arkansas Code § 26-74-605(e)(1), concerning a challenge to  
 12 an election on the levy of a county sales and use tax for capital  
 13 improvements of a community college, is amended to read as follows:

14 (e)(1)(A) If ~~no~~ a challenge to an election ~~challenge~~ called under §  
 15 26-74-603(b) is not timely filed, there shall be levied effective on the  
 16 first day of the first month of the calendar quarter after a minimum of sixty  
 17 (60) days' notice by the Director of the Department of Finance and  
 18 Administration to sellers and subsequent to the expiration of the thirty-day  
 19 challenge period a countywide tax on the gross receipts from the sale at  
 20 retail within the eligible county of all items that are subject to the  
 21 Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.

22 (B) Furthermore, in every eligible county ~~where the~~ in  
 23 which a local sales and use tax has been adopted ~~pursuant to the provisions~~  
 24 ~~of~~ under this subchapter, there is imposed an excise tax on the storage, use,  
 25 distribution, or consumption within the eligible county of taxable services  
 26 and tangible personal property purchased, leased, or rented from any retailer  
 27 outside the state after the effective date of the sales and use tax for  
 28 storage, use, distribution, or other consumption in the eligible county at  
 29 the same rate as on the sale price of the property or in the case of leases  
 30 or rentals of the lease or rental price, the rate of the use tax to  
 31 correspond to the rate of the sales tax portion of the tax.

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 33 SECTION 5. Arkansas Code § 26-74-605, concerning the conduct and  
 34 results of an election on the levy of a county sales and use tax for capital  
 35 improvements of a community college, is amended to add an additional  
 36 subsection to read as follows:

1           (h)(1) To extend the period for the levy of a tax under § 26-74-  
2 603(c), after the publication of the proclamation has occurred and at least  
3 ninety (90) days before the current period for the levy of the tax is set to  
4 expire, the county shall notify the director of the new period for the levy  
5 of the tax that was approved by the voters.

6           (2) A tax extended under § 26-74-603(c) shall continue to be  
7 levied until the end of the new tax period.

8           (3) If the voters do not approve a change in the period for the  
9 levy of the tax, the:

10           (A) Tax shall continue to be levied until the end of the  
11 period previously approved by the voters; and

12           (B) Question may be resubmitted to the voters at the time  
13 permitted by the applicable election laws.

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