1   State of Arkansas

2   90th General Assembly

A Bill

3   Regular Session, 2015
HOUSE BILL 1112

4

5   By: Representatives Sabin, Shepherd, Vines, House, Baine, Blake, Broadaway, Dotson, V. Flowers, M.J.

6   Gray, G. Hodges, Magie, Tucker, D. Whitaker

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8   **For An Act To Be Entitled**

9   AN ACT TO AMEND THE LAW CONCERNING THE SALES AND USE

10   TAX EXEMPTION FOR SALES BY A CHARITABLE ORGANIZATION;

11   AND FOR OTHER PURPOSES.

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14   **Subtitle**

15   TO AMEND THE LAW CONCERNING THE SALES AND

16   USE TAX EXEMPTION FOR SALES BY A

17   CHARITABLE ORGANIZATION.

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

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22   SECTION 1. Arkansas Code § 26-52-430(b), concerning an exception to

23   the sales tax exemption for charitable organizations if the charitable

24   organization competes with sales by a for-profit business, is amended to read

25   as follows:

26   (b) A sale by a charitable organization does not compete with a sale by

27   a for-profit business if:

28   (1) The sales transaction is conducted by a member of the

29   charitable organization and not by ~~any~~ a franchisee or licensee;

30   (2) All the proceeds derived from the sales transaction go to the

31   charitable organization; and

32   (3) The sales transaction is not a continuing one and is held not

33   more than three (3) times a year~~; and~~

34   ~~(4) The dominant motive of the majority of purchasers of the~~

35   ~~items sold is the making of a charitable contribution, with the purchase of~~

36   ~~an item being merely incidental and secondary to the dominant purpose of~~

1   ~~making a gift to the charitable organization.~~

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3   SECTION 2.   EFFECTIVE DATE.   Section 1 of this act is effective on the

4   first day of the calendar quarter following the effective date of this act.

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