

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015

A Bill

HOUSE BILL 1375

4
5 By: Representatives J. Mayberry, L. Fite, Gates
6 By: Senator A. Clark

For An Act To Be Entitled

9 AN ACT TO ALLOW LOCAL GOVERNMENTS TO LEVY TAXES ON
10 ALCOHOLIC BEVERAGES; AND FOR OTHER PURPOSES.

Subtitle

14 TO ALLOW LOCAL GOVERNMENTS TO LEVY TAXES
15 ON ALCOHOLIC BEVERAGES.

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

20 SECTION 1. Arkansas Code Title 26 is amended to add an additional
21 chapter to read as follows:

Chapter 83

County Tax on Alcoholic Beverages

26-83-101. Definitions.

As used in this chapter:

27 (1) "Alcoholic beverages" means beverages that are suitable for
28 human consumption and contain five-tenths of one percent (0.5%) or more of
29 alcohol by volume; and

30 (2)(A) "Public health and safety measure" means a measure
31 proposed for the purpose of increasing public health and safety.

32 (B) "Public health and safety measure" includes without
33 limitation:

34 (i) Improvements or renovations to a county jail, a
35 sheriff's department, or a hospital; and

36 (ii) Staffing required for a county jail, a



sheriff's department, or a hospital.

26-83-102. Authority to levy tax – Election.

(a) A county quorum court of a county that does not have a county sales and use tax may adopt an ordinance levying a county excise tax on alcoholic beverages at the rate of one-eighth of one percent (0.125%), one-fourth of one percent (0.25%), one-half of one percent (0.5%), three-fourths of one percent (0.75%), one percent (1%), or any combination of these amounts to fund one (1) or more public health and safety measures in the county.

(b)(1) Within thirty (30) days following the adoption of an ordinance levying a county excise tax on alcoholic beverages under this chapter, the county by ordinance shall provide for the calling of a special election on the question of whether to levy the county excise tax on alcoholic beverages under §§ 7-11-201 – 7-11-205.

(2) The date for the special election may be the same as the date for the next regular county election.

(3) The county quorum court shall:

(A) Notify the county board of election commissioners that the question has been referred to the vote of the people; and

(B) Submit a copy of the ballot title to the county board of election commissioners.

(4) The election shall be conducted in the manner provided by law for all other county elections unless otherwise provided in this chapter.

(c) Notice of the election shall be given by the county clerk by one (1) publication in a newspaper having a general circulation within the county at least ten (10) days before the election.

(d) The ballot title to be used at the election under subsection (c) of this section shall be in substantially the following form:

“[] FOR adoption of a percent (. %) county excise tax on alcoholic beverages within County for the purpose of funding (describe eligible public health and safety measures).”

[] AGAINST adoption of a percent (. %) county excise tax on alcoholic beverages within County for the purpose of funding (describe eligible public health and safety measures).”

26-83-103. Requirements – Effective dates.

1 To provide time to prepare for an election required under this chapter
2 and to provide the county with adequate time to accomplish its duties, the
3 following requirements apply to an ordinance levying a county excise tax on
4 alcoholic beverages under this chapter:

5 (1)(A) The ordinance levying the county excise tax on alcoholic
6 beverages under this chapter is not effective until after the election under
7 § 26-83-102 has been held.

8 (B)(i) Following the election, the county judge shall
9 issue his or her proclamation of the results of the election with reference
10 to the county excise tax on alcoholic beverages.

11 (ii) The proclamation described in subdivision
12 (1)(B)(i) of this section shall be published one (1) time in a newspaper
13 having general circulation within the county.

14 (C) A person desiring to challenge the results of an
15 election as published in the proclamation shall file the challenge in the
16 circuit court of the county in which the excise tax on alcoholic beverages is
17 to be levied within thirty (30) days of the date of publication of the
18 proclamation;

19 (2) The ordinance shall become effective no earlier than the
20 first day of the calendar quarter after the expiration of the full thirty-day
21 period of challenge under subdivision (1) of this section; and

22 (3) If an election challenge occurs under subdivision (1) of
23 this section, the county excise tax on alcoholic beverages shall be collected
24 under this chapter unless enjoined by a court order.

25
26 26-83-104. Abolition of tax.

27 (a)(1) The county may abolish all or a portion of the county excise
28 tax on alcoholic beverages authorized under this chapter by:

29 (A) A roll call vote of two-thirds (2/3) of all members
30 elected to the county quorum court, excluding the county judge, if the county
31 quorum court has determined that the purpose of the county excise tax on
32 alcoholic beverages cannot be fulfilled or cannot continue to be fulfilled;
33 or

34 (B) An election called by:

35 (i) Action of the county quorum court; or

36 (ii) A petition of the qualified voters in the

1 county.

2 (2) A petition of the qualified voters and the calling and
 3 holding of an election concerning the abolition of the county excise tax on
 4 alcoholic beverages under this subsection are governed by the initiative
 5 procedures in Arkansas Constitution, Article 5, § 1, and any ordinances of
 6 the county governing initiative procedures.

7 (3) The county quorum court may call for an election under this
 8 subsection subject to the same procedures stated in this chapter for the
 9 calling of the initial election.

10 (b) The ballot title to be used at the election shall be in
 11 substantially the following form:

12 “[] FOR abolition of a percent (. %) county excise
 13 tax on alcoholic beverages within County for the purpose of funding
 14 (describe eligible public health and safety measures)."

15 [] AGAINST abolition of a percent (. %) county
 16 excise tax on alcoholic beverages within County for the purpose of
 17 funding (describe eligible public health and safety measures)."

18 (c) The effective date of an affirmative vote of the qualified voters
 19 to abolish the county excise tax on alcoholic beverages under this section
 20 shall be the first day of the calendar quarter after the expiration of ninety
 21 (90) days from the date of publication of the election proclamation.

22 (d) The effective date of an affirmative vote by the county quorum
 23 court to abolish the county excise tax on alcoholic beverages under this
 24 section shall be on the first day of the calendar quarter after the
 25 expiration of ninety (90) days from the date that the county quorum court
 26 adopts an ordinance abolishing the county excise tax on alcoholic beverages.

27
 28 26-83-105. Payment and collection of tax – Administration.

29 (a)(1) The county collector shall collect a county excise tax levied
 30 under this chapter at the time and in the manner determined by the county
 31 quorum court.

32 (2) The county collector's commission for collecting the excise
 33 tax shall be two percent (2%) of the total amount collected.

34 (b) The person paying the excise tax shall report and remit the tax on
 35 forms provided by the county quorum court and as directed by the county
 36 quorum court.

1 (c) On and after the effective date of a county excise tax on
2 alcoholic beverages imposed under this chapter, the county quorum court shall
3 perform all functions incidental to the administration, enforcement, and
4 operation of the tax.

5
6 26-83-106. Disposition of revenues.

7 (a)(1) For the purpose of segregating and keeping apart the revenues
8 derived from a county excise tax levied under this chapter from the other
9 revenues of the county, a county levying an excise tax under this chapter
10 shall establish a separate account, styled “ County Alcoholic
11 Beverages Tax Account” in a bank that is an authorized depository of county
12 funds.

13 (2) All revenues derived from the county excise tax shall be
14 deposited into the separate account established under subdivision (a)(1) of
15 this section.

16 (b) Withdrawals shall be made from the separate account established
17 under subsection (a) of this section only for:

18 (1) The purposes stated in § 26-83-102; and

19 (2) Payment of the county collector’s commission.

20
21 26-83-107. No effect on existing taxes.

22 The imposition of a county excise tax on alcoholic beverages under this
23 chapter does not affect any existing taxes levied by a county.