

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

A Bill

SENATE BILL 560

4
5 By: Senator A. Clark
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For An Act To Be Entitled

8 AN ACT TO ENCOURAGE CHARITABLE GIVING AND ELIMINATE
9 PERVERSE AND ABSURD TAXES AND DISINCENTIVES ON
10 CHARITABLE GIVING; TO EXEMPT CERTAIN WITHDRAWALS OF
11 STOCK FROM THE SALES AND USE TAX; AND FOR OTHER
12 PURPOSES.
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Subtitle

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15 TO ENCOURAGE CHARITABLE GIVING AND
16 ELIMINATE PERVERSE AND ABSURD TAXES AND
17 DISINCENTIVES ON CHARITABLE GIVING; AND
18 TO EXEMPT CERTAIN WITHDRAWALS OF STOCK
19 FROM THE SALES AND USE TAX.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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25 SECTION 1. Arkansas Code § 26-52-322(b)(2), concerning withdrawals
26 from stock, is amended to read as follows:

27 (2) For purposes of calculating the gross receipts tax or the
28 compensating use tax under subdivision (b)(1) of this section, the gross
29 receipts or gross proceeds for a withdrawal from stock is ~~the~~:

30 (A) The value of any the goods, wares, merchandise, or
31 tangible personal property withdrawn if the goods, wares, merchandise, or
32 tangible personal property:

33 (i) Were withdrawn for consumption or use in the
34 established business; or

35 (ii) Are alcoholic beverages or tobacco products; or

36 (B) Zero dollars (\$0.00) if the goods, wares, merchandise,



1 or tangible personal property, other than alcoholic beverages or tobacco
2 products, were withdrawn for consumption or use by a:

3 (i) Nonprofit organization described in 26 U.S.C. §
4 501(c)(3), as it existed on January 1, 2015;

5 (ii) Public educational institution;

6 (iii) Nonprofit church; or

7 (iv) Private individual who has suffered damage or
8 loss as the result of a natural disaster if:

9 (a) The private individual receiving the
10 goods, wares, merchandise, or tangible personal property resides in an area
11 of the state that the Governor has officially declared to be a disaster area;
12 and

13 (b) A representative of the established
14 business provides a sworn affidavit to the Department of Finance and
15 Administration with the report required under § 26-52-501 describing in
16 detail the goods, wares, merchandise, or tangible personal property withdrawn
17 and the disaster area in which each recipient resides.

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19 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the
20 first day of the calendar quarter following the effective date of this act.
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