

Stricken language would be deleted from and underlined language would be added to present law.
Act 1209 of the Regular Session

State of Arkansas
90th General Assembly
Regular Session, 2015

As Engrossed: S3/19/15 H3/25/15

A Bill

SENATE BILL 745

By: Senator J. Hutchinson

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE TAX APPLICABLE TO COIN-OPERATED AMUSEMENT DEVICES; TO AMEND THE DEFINITIONS APPLICABLE TO COIN-OPERATED AMUSEMENT DEVICES; TO MAKE TECHNICAL CHANGES; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING THE TAX APPLICABLE TO COIN-OPERATED AMUSEMENT DEVICES; AND TO AMEND THE DEFINITIONS APPLICABLE TO COIN-OPERATED AMUSEMENT DEVICES.

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

SECTION 1. Arkansas Code § 26-57-402 is amended to read as follows:
26-57-402. Definitions.

As used in this subchapter:

(1)(A) "Amusement device" means ~~any~~ a coin-operated machine, device, or apparatus ~~which~~ that provides amusement, diversion, or entertainment and includes, ~~but is not limited to,~~ without limitation such games as:

- ~~(A)~~ (i) Radio rifles;
- ~~(B)~~ (ii) Miniature football;x
- ~~(C)~~ (iii) Golf;
- ~~(D)~~ (iv) Baseball;
- ~~(E)~~ (v) Hockey+;



- ~~(F)~~ (vi) Bumper pool;
- ~~(G)~~ (vii) Tennis;
- ~~(H)~~ (viii) Shooting galleries;
- ~~(I)~~ (ix) Pool tables;
- ~~(J)~~ (x) Bowling;
- ~~(K)~~ (xi) Shuffleboard;
- ~~(L)~~ (xii) Pinball tables;
- ~~(M)~~ (xiii) Marble tables;
- ~~(N)~~ (xiv) Music vending phonographs;
- ~~(O)~~ (xv) Jukeboxes;
- ~~(P)~~ (xvi) Cranes;
- ~~(Q)~~ (xvii) Video games;
- ~~(R)~~ (xviii) Claw machines;
- ~~(S)~~ (xix) Bowling machines;
- ~~(T)~~ (xx) Countertop machines;
- ~~(U)~~ (xxi) Novelty arcade machines;
- ~~(V)~~ (xxii) Other similar musical devices for

entertainment; and

~~(W)~~ (xxiii) Other miniature games, whether or not the games show a score, ~~which~~ that are not otherwise excluded in this subchapter~~†~~.

(B) "Amusement device" does not include a machine, device, or apparatus that constitutes a casino-gambling style game, including without limitation mechanical or electronic:

- (i) Draw games;
- (ii) Slot machines;
- (iii) Roulette wheels;
- (iv) Craps;
- (v) Video poker; and
- (vi) Casino-gambling style games of any other type

in which the outcome is determined substantially by chance;

(2)(A) "Any money or property", "other articles", "other valuable things", or "any representative of anything that is esteemed of value", as used in the antigambling statutes, § 5-66-101 et seq., shall not be expanded to include:

- (i) A free amusement feature such as the privilege

of playing additional free games if a certain score is made on a pinball table or on any other amusement device described in this section; or

(ii) Toys, novelties, candy, or representations of value redeemable for those items ~~which that~~ are won by the player of a bona fide amusement device ~~which that~~ rewards players exclusively with merchandise limited to toys, novelties, or representations of value redeemable for those items, ~~which that~~ have a wholesale value of not more than ten (10) times the cost charged to play the amusement device one (1) time or five dollars (\$5.00), whichever is less.

(B)(i) ~~In the event of the accumulation of~~ If a player accumulates redeemable representations of value ~~by any player, no a~~ toy or novelty having a wholesale value of more than twelve dollars and fifty cents (\$12.50) may be or, for a toy or novelty offered in a facility described in subdivision (2)(C) of this section, five hundred dollars (\$500), shall not be given or awarded by any an amusement device operator or redeemed by ~~any a~~ a player.

(ii) The toys and novelties shall be displayed in a single area on each premises.

(iii) Furthermore, each operator shall maintain records validating the wholesale value of the toys and novelties.

(iv) The toys and novelties shall be located solely ~~on the premises where the amusement device is played.~~

(C) If a player accumulates redeemable representations of value, a toy or novelty with a wholesale value of no more than five hundred dollars (\$500) may be given or awarded by an amusement device operator or redeemed by a player only if the toy or novelty is offered in a facility that:

(i) Is in excess of twenty-five thousand square feet (25,000 sq. ft.);

(ii) Offers a full-service restaurant menu during all hours of operation;

(iii) Offers at least one hundred (100) amusement devices; and

(iv) Is located in a county that has a population that exceeds three hundred fifty thousand (350,000) and is traversed by a navigable river.

(D)(i) A toy, novelty, or candy given or awarded to a player as a reward for playing an amusement device shall not be traded, redeemed, sold, leased, or otherwise exchanged for money, property, or other valuable thing:

(a) To any other person located on the premises who is associated with an amusement device operator; or

(b) For the purpose of circumventing the antigambling statutes stated in § 5-66-101 et seq.

(ii) A toy, novelty, or candy given or awarded to a player shall not be subsequently re-awarded to another player by the amusement device operator;

(3) "Candy" means a food item that:

(A) Has sugar as its principal ingredient; and

(B) Does not contain alcohol;

~~(3)~~ (4) "Coin-operated" means ~~any~~ a machine, device, or apparatus which ~~that~~ is operated by placing through a slot or any kind of opening or container ~~any~~ a coin, slug, token, or other object or article necessary to be inserted before the machine operates or functions but does not include ~~any~~ a machine or device which ~~that~~ is classified by the United States Government as requiring a federal gaming stamp under applicable provisions of the Internal Revenue Code;

~~(4)~~ (5) "Novelty" means an article of trade whose value is chiefly decorative, comic, commemorative, or the like, and whose appeal is often transitory;

~~(5)~~ (6) "Person" means ~~any~~ an individual, firm, association, company, partnership, limited liability company, corporation, joint-stock company, club, agency, syndicate, the State of Arkansas, county, municipal corporation or other political subdivision of this state, receiver, trustee, fiduciary, or trade association; and

~~(6)~~ (7) "Toy" means ~~a small~~ an article ~~of little value but that~~ has a wholesale value that does not exceed five hundred dollars (\$500) and that is prized as a souvenir or for some other special reason, ~~a trinket, a knickknack, or a bauble~~ including without limitation a stuffed animal, game, or electronic device.

APPROVED: 04/07/2015