

Stricken language would be deleted from and underlined language would be added to present law.  
Act 1126 of the Regular Session

State of Arkansas  
91st General Assembly  
Regular Session, 2017

As Engrossed: H3/22/17  
**A Bill**

SENATE BILL 657

By: Senator J. Cooper

**For An Act To Be Entitled**

AN ACT TO AMEND THE LAW CONCERNING THE DISCOUNT  
AVAILABLE TO TAXPAYERS FOR PROMPT SUBMISSION OF SALES  
TAX RETURNS AND PAYMENTS; AND FOR OTHER PURPOSES.

**Subtitle**

AN ACT TO AMEND THE LAW CONCERNING THE  
DISCOUNT AVAILABLE TO TAXPAYERS FOR  
PROMPT SUBMISSION OF SALES TAX RETURNS  
AND PAYMENTS.

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

SECTION 1. Arkansas Code § 26-52-503 is amended to read as follows:

26-52-503. Discount for ~~prompt~~ early payment.

(a) At the time of transmitting the returns required under this chapter to the Director of the Department of Finance and Administration, the taxpayer shall remit with the returns to the director ninety-eight percent (98%) of the state tax due under ~~the applicable provisions of~~ this chapter and ninety-eight percent (98%) of the city and county gross receipts taxes collected by the director.

(b) Failure of the taxpayer to remit the tax on or before the twentieth day of the applicable month shall cause the taxpayer to forfeit his or her claim to the discount, and the taxpayer ~~must~~ shall remit to the director one hundred percent (100%) of the amount of tax plus any penalty and interest due.

(c)(1)(A) ~~For tax payments made on or after February 1, 1993, the~~ The discount for ~~prompt~~ early payment of state tax shall not exceed one thousand



dollars (\$1,000) per month for a taxpayer filing monthly gross receipts tax reports.

(B) A taxpayer filing a tax report on a quarterly, annual, or occasional basis ~~shall be~~ is entitled to the discount for early payment of state tax, which shall not exceed one thousand dollars (\$1,000) for each month included in the tax report.

(2)(A) The aggregate state tax discount available to a taxpayer who operates more than one (1) permitted business location within this state and who does not file a consolidated monthly gross receipts tax report for all locations shall not exceed one thousand dollars (\$1,000) per month.

(B) In the case of a corporate taxpayer, ~~that is a~~ parent corporation, ~~and~~ that holds fifty percent (50%) or more of the outstanding shares of one (1) or more corporations, ~~subsidiaries, that~~ that are subsidiaries and that are subject to the tax imposed by this chapter, the aggregate state tax discount available to the parent corporation and all subsidiaries shall not exceed one thousand dollars (\$1,000) per month.

(C) ~~There shall be no limitation~~ The limitations on the discount for state tax discount under this section apply to prompt early payment of city and county gross receipts taxes collected by the director, under the following schedule:

(i) For the tax year beginning January 1, 2018, the discount shall not exceed five thousand dollars (\$5,000);

(ii) For the tax year beginning January 1, 2019, the discount shall not exceed four thousand dollars (\$4,000);

(iii) For the tax year beginning January 1, 2020, the discount shall not exceed three thousand dollars (\$3,000);

(iv) For the tax year beginning January 1, 2021, the discount shall not exceed two thousand dollars (\$2,000); and

(v) For tax years beginning on and after January 1, 2022, the discount shall not exceed one thousand dollars (\$1,000).

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

/s/J. Cooper

***APPROVED: 04/07/2017***