

State of Arkansas
93rd General Assembly
Regular Session, 2021

A Bill

SENATE BILL 181

By: Senators T. Garner, B. Davis
By: Representatives McCollum, Pilkington

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE SALES TAX HOLIDAY; TO EXEMPT CERTAIN ELECTRONIC DEVICES DURING THE SALES TAX HOLIDAY; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING THE SALES TAX HOLIDAY; TO EXEMPT CERTAIN ELECTRONIC DEVICES DURING THE SALES TAX HOLIDAY; AND TO DECLARE AN EMERGENCY.

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

SECTION 1. Arkansas Code § 26-52-444 is amended to read as follows:
26-52-444. Sales tax holiday.

(a) As used in this section:

(1) "Clothing" means an item of human wearing apparel suitable for general use for which the gross receipts or gross proceeds paid for the item of clothing is less than one hundred dollars (\$100);

(2) "Clothing accessory or equipment" means an incidental item worn on the person or in conjunction with clothing for which the gross receipts or gross proceeds paid for the item of clothing accessory or equipment is less than fifty dollars (\$50.00);

(3)(A) "Electronic device" includes without limitation:

(i) A calculator;

(ii) A cellular phone;



- (iii) A computer mouse;
- (iv) A computer monitor;
- (v) A computer keyboard;
- (vi) A desktop computer;
- (vii) An e-reader;
- (viii) A laptop computer;
- (ix) A printer; and
- (x) A tablet.

(B) "Electronic device" does not include a:

- (i) Video game console, system, or device;
- (ii) Television;
- (iii) Music or video player; or
- (iv) System, device, or peripheral designed or

intended primarily for recreational use;

~~(3)~~(4) "School art supply" means an item commonly used by a student in a course of study for artwork;

~~(4)~~(5) "School instructional material" means written material commonly used by a student in a course of study as a reference and to learn the subject being taught; and

~~(5)~~(6) "School supply" means an item commonly used by a student in a course of study.

(b) The gross receipts or gross proceeds derived from the sale of the following items are exempt from the gross receipts tax levied by this chapter, and the compensating use tax levied by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq., every year from 12:01 a.m. on the first Saturday in August and ending at 11:59 p.m. the following Sunday:

- (1) Clothing;
- (2) Clothing accessory or equipment;
- (3) An electronic device;
- ~~(3)~~(4) School art supply;
- ~~(4)~~(5) School instructional material; and
- ~~(5)~~(6) School supply.

(c) The Department of Finance and Administration shall promulgate rules to implement this section.

SECTION 2. EMERGENCY CLAUSE. It is found and determined by the

General Assembly of the State of Arkansas that the coronavirus 2019 (COVID-19) pandemic has had a negative impact on education and access to quality education in the state; that many students in the state have been forced to adapt to virtual education efforts as the result of school closures, personal health risks, and other factors; that many Arkansas students do not have access to the resources they need to adequately participate in these virtual education efforts, which results in students either not receiving the full benefit of the education schools seek to provide or prioritizing their education over their health; that improving access to electronic devices that will make virtual education programs more beneficial for Arkansas students will improve education in Arkansas and will reduce the public health risk by allowing students who need to participate in virtual education programs to do so; that electronic devices should be immediately added to the sales tax holiday for school supplies and related items that occurs in early August each year to help prepare Arkansas students for virtual education programs that may need to be used in the upcoming school year due to the continuing pandemic; and that this act is necessary because it is incumbent upon the state to make every effort to reduce public health risks during the pandemic and to improve Arkansas students' access to public education in a timely and effective manner. Therefore, an emergency is declared to exist, and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2021.

APPROVED: 4/27/21