

HOUSE AMENDMENT 3 TO hb1703.

adding a new Section 3 at line 10 on page 2 to read as follows:

"SECTION 3. Ark. Code Ann. § 26-52-303(a) is amended to read as follows:

_(a) (1) In instances where an Arkansas city or incorporated town is:

(A) Divided by a state line from an incorporated city or town in an adjoining state;

(B) The city or town in the adjoining state is of greater population than the Arkansas city or town; and

(C) A tax imposed in such adjoining state is in the nature of a selective sales tax or limited to specific items as a special excise tax; then the rate of tax upon such articles on the Arkansas side shall be at the same rate imposed in such adjoining state, not to exceed five and one eighth percent (55.125%).

(2) Provided that, if such border city has voted to levy an additional one percent (1%) gross receipts tax in such city in lieu of paying state income taxes by individuals who are residents of said city, as authorized by § 26-52-601 et seq., in such event the rate of tax shall be one percent (1%) above said five and one eighth percent (55.125%)._"

AND

by appropriately renumbering the remaining sections;

AND

by deleting lines 35 through 36 on page 2 and lines 1 through 4 on page 3 and replacing them with the following:

"public peace, health and safety shall become effective on July 1, 1997."