

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Senator Yates**

A Bill

SENATE BILL

For An Act To Be Entitled

8 "AN ACT TO CONFORM THE AMOUNT OF GROSS RECEIPTS, GROSS
9 PROCEEDS, OR SALES PRICE SUBJECT TO MUNICIPAL OR COUNTY
10 SALES OR USE TAX IN A SINGLE TRANSACTION; AND FOR OTHER
11 PURPOSES."

Subtitle

14 "TO CONFORM THE AMOUNT SUBJECT TO MUNICIPAL OR COUNTY
15 SALES OR USE TAX IN A SINGLE TRANSACTION."

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

19 SECTION 1. Arkansas Code 14-164-334(a) is amended to read as follows:

20 "(a) Any sales and use tax levied pursuant to this subchapter shall be
21 levied and collected only on the first two thousand five hundred dollars
22 (\$2,500) of gross receipts, gross proceeds or sales price from a single
23 transaction."

25 SECTION 2. Arkansas Code 26-74-213(a) is amended to read as follows:

26 "(a) A county shall provide in its ordinance authorized by this
27 subchapter a rebate from the county for taxes collected pursuant to this
28 subchapter in excess of the tax on the first two thousand five hundred dollars
29 (\$2,500) of gross receipts, gross proceeds or sales price from a single
30 transaction."

32 SECTION 3. Arkansas Code 26-74-220 is amended to read as follows:

33 "§26-74-220. Maximum tax limitation.

34 (a) Any county general sales or use tax levied pursuant to this
35 subchapter shall be levied and collected only on the first two thousand five

1 hundred dollars (\$2,500) of gross receipts, gross proceeds or sales price from
2 a single transaction, and vendors shall be responsible for collecting and
3 remitting the tax only on the first two thousand five hundred dollars (\$2,500)
4 of gross receipts, gross proceeds or sales price from a single transaction.
5 Vendors collecting, reporting, and remitting the county sales or use taxes
6 shall show county sales taxes as a separate entry on the tax report form filed
7 with the director.

8 (b) The term single transaction, as used in this section and §§
9 26-75-207 - 26-75-212, shall be defined by ordinance of the county levying the
10 tax. In the case of any taxpayer not subject to the levy of a use tax on
11 tangible personal property brought into the State of Arkansas for storage
12 until such property is subsequently initially used in the State of Arkansas, a
13 county use tax shall be computed on each purchase of such property by the
14 taxpayer as if all such property was subject upon purchase to the county use
15 tax only on the first two thousand five hundred dollars (\$2,500) of gross
16 receipts, gross proceeds or sales price from a single transaction. The taxes
17 so computed shall be aggregated on a monthly basis, and the aggregate monthly
18 amount shall be divided by the sum of the total purchases of such property on
19 which the taxes are computed, and the quotient shall be multiplied by the
20 amount of the taxpayer's property subsequently initially used and subject to
21 levy of a use tax within the county during the month for which the monthly
22 aggregate tax figure was computed, and the product shall be the amount of
23 county use tax liability for the taxpayer for the month computed."

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25 SECTION 4. Arkansas Code 26-75-222 is amended to read as follows:

26 "§26-75-222. Maximum tax limitation.

27 (a) Any municipal general sales or use tax levied pursuant to this
28 subchapter shall be levied and collected only on the first two thousand five
29 hundred dollars (\$2,500) of gross receipts, gross proceeds or sales price from
30 each single transaction, and vendors shall be responsible for collecting and
31 remitting the tax only on the first two thousand five hundred dollars (\$2,500)
32 of gross receipts, gross proceeds or sales price from each single transaction.
33 Vendors collecting, reporting, and remitting the municipal sales or use taxes
34 shall show municipal sales taxes as a separate entry on the tax report form
35 filed with the director.

1 (b) The term single transaction as used in this section and §§
2 26-75-207 - 26-75-212 shall be defined by ordinance of the municipality
3 levying the tax. In the case of any taxpayer not subject to the levy of a use
4 tax on tangible personal property brought into the State of Arkansas for
5 storage until such property is subsequently initially used in the State of
6 Arkansas, a municipal use tax shall be computed on each purchase of such
7 property by the taxpayer as if all such property was subject upon purchase to
8 the municipal use tax only on the first two thousand five hundred dollars
9 (\$2,500) of gross receipts, gross proceeds or sales price from each single
10 transaction. The taxes so computed shall be aggregated on a monthly basis, the
11 aggregate monthly amount shall be divided by the sum of the total purchases of
12 such property on which the taxes are computed, and the quotient shall be
13 multiplied by the amount of the taxpayer's property subsequently initially
14 used and subject to levy of a use tax within the municipality during the month
15 for which the monthly aggregate tax figure was computed, and the product shall
16 be the amount of municipal use tax liability for the taxpayer for the month
17 computed."

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19 SECTION 5. Arkansas Code 26-75-312(b) is amended to read as follows:

20 "(b) A city shall provide in its ordinance authorized by this
21 subchapter for a rebate from the city for taxes collected pursuant to this
22 subchapter in excess of the tax on the first two thousand five hundred dollars
23 (\$2,500) of gross receipts, gross proceeds or sales price from a single
24 transaction."

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26 SECTION 6. Any municipal or county sales or use tax levied pursuant to
27 the laws of this state shall be levied and collected only on the first two
28 thousand five hundred dollars (\$2,500) of gross receipts, gross proceeds or
29 sales price from a single transaction. This provision shall apply to all
30 municipal and county sales and use taxes heretofore or hereafter adopted and
31 shall be in addition to and not in lieu of any other limitations imposed by
32 law.

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34 SECTION 7. All provisions of this act of a general and permanent nature
35 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code

1 Revision Commission shall incorporate the same in the Code.

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3 SECTION 8. If any provision of this act or the application thereof to
4 any person or circumstance is held invalid, such invalidity shall not affect
5 other provisions or applications of the act which can be given effect without
6 the invalid provision or application, and to this end the provisions of this
7 act are declared to be severable.

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9 SECTION 9. All laws and parts of laws in conflict with this act are
10 hereby repealed.

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