

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003

A Bill

SENATE BILL 7

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5 By: Senator Glover
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For An Act To Be Entitled

8
9 AN ACT TO EXEMPT FOOD FROM STATE SALES TAX; TO
10 PHASE IN THE TAX EXEMPTION OVER SIX (6) YEARS
11 BEGINNING ON JULY 1, 2006; AND FOR OTHER
12 PURPOSES.
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Subtitle

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15 AN ACT TO EXEMPT FOOD FROM STATE SALES
16 TAX; TO PHASE IN THE TAX EXEMPTION OVER
17 SIX (6) YEARS BEGINNING ON JULY 1, 2006.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended
23 to add an additional section to read as follows:

24 26-52-433. Food eligible for purchase with food stamps.

25 (a) As used in this section, "food" means any product that may be
26 purchased with food stamps, as defined in The Food Stamp Act of 1977,
27 7 U.S.C. § 2012(g)(1), as it appeared on January 1, 2003.

28 (b) As provided in subsection (d) of this section, any food sold for
29 human consumption shall be exempt from the Arkansas Gross Receipts Act of
30 1941, §§ 26-52-101 et seq.

31 (c) The exemption in this section shall not apply to gross receipts
32 taxes levied by any Arkansas city, town, or county.

33 (d) The exemption in this section shall be phased in under the
34 following schedule:

35 (1) Beginning July 1, 2006, the gross receipts tax on food shall
36 be reduced by one percent (1%);



1 (2) Beginning July 1, 2007, the gross receipts tax on food shall
2 be reduced an additional one percent (1%);

3 (3) Beginning July 1, 2008, the gross receipts tax on food shall
4 be reduced an additional one percent (1%);

5 (4) Beginning July 1, 2009, the gross receipts tax on food shall
6 be reduced an additional one percent (1%);

7 (5) Beginning July 1, 2010, the gross receipts tax on food shall
8 be reduced an additional one percent (1%); and

9 (6) Beginning July 1, 2011, any remaining gross receipts tax on
10 food shall be eliminated.

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