

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
89th General Assembly
Regular Session, 2013

A Bill

HOUSE BILL 1556

By: Representative Nickels

For An Act To Be Entitled

AN ACT TO INCREASE THE MAXIMUM WORKERS' COMPENSATION TAX; TO REQUIRE THAT AN ADDITIONAL PORTION OF THE WORKERS' COMPENSATION PREMIUM TAX BE CREDITED TO THE DEATH AND PERMANENT TOTAL DISABILITY TRUST FUND; TO AMEND PORTIONS OF THE ARKANSAS CODE THAT RESULTED FROM INITIATED ACT 4 OF 1948; AND FOR OTHER PURPOSES.

Subtitle

TO INCREASE THE WORKERS' COMPENSATION PREMIUM TAX AND REQUIRE THAT A PORTION BE CREDITED TO THE DEATH AND PERMANENT TOTAL DISABILITY TRUST FUND; AND TO AMEND PORTIONS OF THE ARKANSAS CODE THAT RESULTED FROM INITIATED ACT 4 OF 1948.

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

SECTION 1. Arkansas Code § 11-9-303(a), resulting from Initiated Act 4 of 1948 and concerning the payment of a tax on all written manual premiums that is additional to the premium taxes collected from carriers, is amended to read as follows:

(a) In addition to the premium taxes collected from carriers, the carriers shall pay annually to the Workers' Compensation Commission a tax, at the rate to be determined ~~as provided in~~ under § 11-9-306 but not to exceed ~~three percent (3%)~~ four percent (4%), on all written manual premiums resulting from the writing of workers' compensation insurance on risks within the state.



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SECTION 2. Arkansas Code § 11-9-303(c)(2), resulting from Initiated Act 4 of 1948 and concerning the payment of a tax on all written manual premiums that is additional to the premium taxes collected from carriers, is amended to read as follows:

(2) This transfer from the funds created in § 11-9-301 shall be in the same proportions that deposits were made into the three (3) funds ~~as set forth in~~ under § 11-9-306(a)-(e).

SECTION 3. Arkansas Code § 11-9-304(a), resulting from Initiated Act 4 of 1948 and concerning the payment of the workers' compensation premium tax by a self-insurer, is amended to read as follows:

(a) ~~It shall be the duty of the~~ The Workers' Compensation Commission ~~to~~ shall collect a tax from every self-insured employer at a rate to be determined ~~as provided by~~ under § 11-9-306 but not to exceed ~~three percent (3%)~~ four percent (4%) of the written manual premium ~~which that~~ would have to be paid under § 11-9-303 by a carrier if the self-insured employer were insured by a carrier.

SECTION 4. Arkansas Code § 11-9-305(a)(1), resulting from Initiated Act 4 of 1948 and concerning the payment of the workers' compensation premium tax by a public employer, is amended to read as follows:

(a)(1) ~~It shall be the duty of the~~ The Workers' Compensation Commission ~~to~~ shall collect a tax from every public employer providing workers' compensation coverage to its employees at a rate to be determined ~~as provided by~~ under § 11-9-306 but not to exceed ~~three percent (3%)~~ four percent (4%) of the written manual premium ~~which that~~ an insurance carrier would have to pay under § 11-9-303 if the public employer were insured by a carrier.

SECTION 5. Arkansas Code § 11-9-306(d), resulting from Initiated Act 4 of 1948 and concerning the determination of a surplus and rate of taxation for the workers' compensation premium tax, is amended to read as follows:

(d)(1) The total rate of taxation for all three (3) funds when added together shall not exceed ~~three percent (3%)~~ four percent (4%) of all written manual premiums.

(2) The funds collected under §§ 11-9-303 – 11-9-306 that exceed three percent (3%) of all written manual premiums shall be credited to the Death and Permanent Total Disability Trust Fund.