

State of Arkansas
89th General Assembly
Regular Session, 2013

A Bill

SENATE BILL 832

By: Senator Files

For An Act To Be Entitled

AN ACT CONCERNING COUNTY SALES AND USE TAXES LEVIED FOR CAPITAL IMPROVEMENTS OF COMMUNITY COLLEGES; TO ALLOW THE EXTENSION OF THE PERIOD DURING WHICH A COUNTY SALES AND USE TAX LEVIED FOR CAPITAL IMPROVEMENTS OF A COMMUNITY COLLEGE MAY BE LEVIED AND SHALL NOT BE REPLACED OR REDUCED; AND FOR OTHER PURPOSES.

Subtitle

TO ALLOW THE EXTENSION OF THE PERIOD DURING WHICH A COUNTY SALES AND USE TAX LEVIED FOR CAPITAL IMPROVEMENTS OF A COMMUNITY COLLEGE MAY BE LEVIED AND SHALL NOT BE REPLACED OR REDUCED.

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

SECTION 1. Arkansas Code § 26-74-603(c), concerning the call for a tax election for a county sales and use tax for capital improvements of a community college, is amended to read as follows:

(c)(1) The quorum court of an eligible county levying a tax under this subchapter may refer to the voters of the county the question of an extension of the period during which the tax is to be levied and an extension of the period during which the tax cannot be repealed or reduced.

(2) The end of the period for which the tax is levied shall be the last day of a calendar quarter.

(3) The election to extend the period during which the tax



authorized under this subchapter is to be levied and to extend the period during which the tax cannot be repealed or reduced shall be called by ordinance issued under § 7-11-201 et seq.

(4) An election to extend the period of the levy of the tax and to extend the period during which the tax cannot be repealed or reduced is not an election on the levy of the tax.

(d) The quorum court shall notify its county board of election commissioners that ~~the~~ a measure has been referred to the vote of the people under this section and shall submit a copy of the ordinance calling the election and the proposed ballot language to its county board of election commissioners.

SECTION 2. Arkansas Code § 26-74-604 is amended to read as follows:

26-74-604. Form of ballot.

(a) The ballot for ~~the~~ an election called under § 26-74-603(b) shall be substantially in the form and of the content ~~as shall be~~ determined by the quorum court of the eligible county.

(b) In addition to the question of the levy of the tax, the ballot for the election called under § 26-74-603(b) at the request of the local board may provide for the dissolution of the district pursuant to the merger of the community college into the qualified university.

(c)(1) The ballot for an election called under § 26-74-603(b) may provide for an effective date for the levy of the tax ~~in accordance with~~ under § 26-74-605(g) for termination or reduction of the tax after a specified period and for restrictions on the power to repeal or reduce the tax, ~~provided that~~ if the agreement for merger is entered into in reliance on such restrictions.

(2) The period for which the tax cannot be repealed or reduced shall not exceed thirty (30) years.

(d)(1) The ballot for an election called under § 26-74-603(c) on the question of an extension of the period for the levy of the tax and the period during which the tax cannot be reduced or repealed shall state the period during which the levy of the tax is to be extended and the new period during which the tax cannot be reduced or repealed.

(2) After giving effect to the proposed extension period, the period for which the tax cannot be repealed or reduced shall not exceed

thirty (30) years from the effective date of the tax.

SECTION 3. Arkansas Code § 26-74-605(a), concerning the conduct of an election on the levy of a county sales and use tax for capital improvements of a community college, is amended to read as follows:

26-74-605. Conduct of election and results – Challenges.

(a) ~~The~~ An election called under § 26-74-603 shall be conducted in the manner provided by law for all other county elections unless otherwise specified in this subchapter.

SECTION 4. Arkansas Code § 26-74-605(e)(1), concerning a challenge to an election on the levy of a county sales and use tax for capital improvements of a community college, is amended to read as follows:

(e)(1)(A) If ~~no~~ a challenge to an election ~~challenge~~ called under § 26-74-603(b) is not timely filed, there shall be levied effective on the first day of the first month of the calendar quarter after a minimum of sixty (60) days' notice by the Director of the Department of Finance and Administration to sellers and subsequent to the expiration of the thirty-day challenge period a countywide tax on the gross receipts from the sale at retail within the eligible county of all items that are subject to the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.

(B) Furthermore, in every eligible county ~~where the~~ in which a local sales and use tax has been adopted ~~pursuant to the provisions of~~ under this subchapter, there is imposed an excise tax on the storage, use, distribution, or consumption within the eligible county of taxable services and tangible personal property purchased, leased, or rented from any retailer outside the state after the effective date of the sales and use tax for storage, use, distribution, or other consumption in the eligible county at the same rate as on the sale price of the property or in the case of leases or rentals of the lease or rental price, the rate of the use tax to correspond to the rate of the sales tax portion of the tax.

SECTION 5. Arkansas Code § 26-74-605, concerning the conduct and results of an election on the levy of a county sales and use tax for capital improvements of a community college, is amended to add an additional subsection to read as follows:

(h)(1) To extend the period for the levy of a tax under § 26-74-603(c), after the publication of the proclamation has occurred and at least ninety (90) days before the current period for the levy of the tax is set to expire, the county shall notify the director of the new period for the levy of the tax that was approved by the voters.

(2) A tax extended under § 26-74-603(c) shall continue to be levied until the end of the new tax period.

(3) If the voters do not approve a change in the period for the levy of the tax, the:

(A) Tax shall continue to be levied until the end of the period previously approved by the voters; and

(B) Question may be resubmitted to the voters at the time permitted by the applicable election laws.