

State of Arkansas
91st General Assembly
Regular Session, 2017

A Bill

HOUSE BILL 1397

By: Representative Leding

For An Act To Be Entitled

AN ACT TO EQUALIZE THE SALES TAX TREATMENT OF DUES AND MEMBERSHIP FEES FOR CERTAIN CLUBS AND FACILITIES; TO LEVY A SALES TAX ON DUES AND MEMBERSHIP FEES TO CERTAIN FACILITIES AND CLUBS; AND FOR OTHER PURPOSES.

Subtitle

TO EQUALIZE THE SALES TAX TREATMENT OF DUES AND MEMBERSHIP FEES FOR CERTAIN CLUBS AND FACILITIES; AND TO LEVY A SALES TAX ON DUES AND MEMBERSHIP FEES TO CERTAIN FACILITIES AND CLUBS.

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

SECTION 1. Arkansas Code § 26-52-301(6), concerning the sales tax levied on certain sales, is amended to read as follows:

(6)(A) Dues and membership fees to:

(i) Health spas, health clubs, golf facilities, and fitness clubs; and

(ii) Private clubs within the meaning of § ~~309-202(14)~~ 3-9-202 that hold any permit from the Alcoholic Beverage Control Board allowing the sale, dispensing, or serving of alcoholic beverages of any kind on the premises.

(B)(i) Except as provided in subdivision (6)(B)(ii) of this section, the gross receipts derived from services provided by or through a health spa, health club, golf facility, fitness club, or private club shall not be subject to gross receipts tax unless the service is specifically



enumerated as a taxable service under this chapter.

(ii) The gross receipts derived by a private club from the charges to members for the preparation and serving of mixed drinks or for the cooling and serving of beer and wine shall be subject to gross receipts tax as well as any supplemental taxes as provided by law;

SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the first day of the calendar quarter following the effective date of this act.