State of Arkansas
92nd General Assembly
Regular Session, 2019

# A Bill

HOUSE BILL 1024

By: Representative Rye

## For An Act To Be Entitled

AN ACT TO AMEND THE DISPOSITION OF SALES AND USE TAX REVENUES; TO DESIGNATE A PORTION OF THE REVENUES DERIVED FROM THE TAXES COLLECTED ON THE SALE OF NEW AND USED MOTOR VEHICLES, TRAILERS, OR SEMITRAILERS AS SPECIAL REVENUES TO BE DISTRIBUTED UNDER THE ARKANSAS HIGHWAY REVENUE DISTRIBUTION LAW; TO CLARIFY THAT THE REVENUES DERIVED FROM THE TAXES COLLECTED BY SELLERS THAT DO NOT HAVE A PHYSICAL PRESENCE IN THE STATE ARE GENERAL REVENUES; AND FOR OTHER PURPOSES.

## Subtitle

TO DESIGNATE THE REVENUES DERIVED FROM TAXES COLLECTED ON THE SALES OF NEW AND USED MOTOR VEHICLES AS SPECIAL REVENUES; AND TO CLARIFY THAT THE REVENUES DERIVED FROM THE TAXES COLLECTED BY REMOTE SELLERS ARE GENERAL REVENUES.

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

SECTION 1. Arkansas Code § 19-6-301, concerning the enumeration of special revenues, is amended to add an additional subdivision to read as follows:

(263) The first one hundred fifty million dollars ($150,000,000) of the taxes, interest, penalties, and costs received under § 26-52-107 on the sale of a new or used motor vehicle, trailer, or semitrailer required to be licensed in this state.

SECTION 2. Arkansas Code § 26-52-107 is amended to read as follows:

26-52-107. Disposition of taxes, interest, and penalties.

(a) ~~All~~ Except as provided in subdivision (b)(1) of this section:

(1) The taxes, interest, penalties, and costs received by the Director of the Department of Finance and Administration under ~~the provisions of~~ this chapter and the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq., ~~shall be~~ are general revenues and shall be deposited into the State Treasury to the credit of the State Apportionment Fund~~.~~; and

(2) The Treasurer of State shall allocate and transfer the ~~same~~ taxes, interest, penalties, and costs received by the director to the various State Treasury funds participating in general revenues in the respective proportions to each as provided by, and to be used for the respective purposes ~~set forth~~ stated in, the Revenue Stabilization Law, § 19-5-101 et seq.

(b) After making the deductions required under § 19-5-202(b)(2)(B)(i), the taxes, interest, penalties, and costs received by the director under this chapter and the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq., on the sale of a new or used motor vehicle, trailer, or semitrailer required to be licensed in this state shall be distributed as follows:

(1) The first one hundred fifty million dollars ($150,000,000) are special revenues and shall be distributed under the Arkansas Highway Revenue Distribution Law, § 27-70-201 et seq.; and

(2) Any remaining taxes, interest, penalties, and costs are general revenues and shall be deposited into the State Treasury to the credit of the State Apportionment Fund.

(c) All taxes, interest, penalties, and costs received by the director under this chapter and the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq., from sellers that do not have a physical presence in the state are general revenues and shall be deposited into the State Treasury to the credit of the State Apportionment Fund.