

State of Arkansas
92nd General Assembly
Regular Session, 2019

A Bill

HOUSE BILL 1772

By: Representative Lowery

For An Act To Be Entitled

AN ACT TO AMEND THE SALES TAX LAWS CONCERNING SPECIAL EVENTS; TO EXCLUDE CERTAIN SCHOOL FUNDRAISERS FROM THE SALES TAX LAWS REGULATING SPECIAL EVENTS; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE SALES TAX LAWS CONCERNING SPECIAL EVENTS; AND TO EXCLUDE CERTAIN SCHOOL FUNDRAISERS FROM THE SALES TAX LAWS REGULATING SPECIAL EVENTS.

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

SECTION 1. Arkansas Code § 26-52-401, concerning sales tax exemptions for various products and services, is amended to add an additional subdivision to read as follows:

(40)(A) Gross receipts or gross proceeds derived from sales of tangible personal property, specified digital products, a digital code, or services to a parent teacher organization, a parent teacher association, or a similar organization that is:

(i) An organization described in 26 U.S.C. § 501(c)(3), as in effect on January 1, 2019; and

(ii) Affiliated with a public school.

(B) As used in this subdivision (40), "public school" means any school operated by a public school district or any open-enrollment public charter school, as defined in § 6-23-103.



SECTION 2. Arkansas Code § 26-52-518(a)(3)(C), concerning the definition of "special event" in relation to the collection of sales taxes, is amended to read as follows:

- (C) The special events shall not include: ~~any~~
- (i) A county, district, or state fair; ~~or the~~
 - (ii) The four states livestock show that has been approved, ~~pursuant to~~ under the rules ~~and regulations~~ of the Arkansas Livestock and Poultry Commission, to receive state funds; ~~or~~
 - (iii)(a) A public school fundraising event sponsored by a parent teacher organization, a parent teacher association, or a similar organization if the:
 - (1) Ticket sales to the fundraising event are sold by public school personnel, students, parents of students, and community volunteers and businesses; and
 - (2) Gross proceeds from the ticket sales are used to directly assist the public school in fulfilling its mission of educating children.
- (b) As used in this subdivision (a)(3)(C)(iii), "public school" means any school operated by a public school district or any open-enrollment public charter school, as defined in § 6-23-103; and

SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective on the first day of the calendar quarter following the effective date of this act.