

Stricken language would be deleted from and underlined language would be added to the Arkansas Constitution.

State of Arkansas *As Engrossed: S2/19/19 S2/21/19*
92nd General Assembly
Regular Session, 2019

SJR 14

By: Senators L. Eads, Bledsoe, Bond, E. Cheatham, L. Chesterfield, J. Cooper, J. English, J. Hendren, Hickey, K. Ingram, B. Johnson, M. Johnson, M. Pitsch, Rice, G. Stubblefield
By: Representatives Wardlaw, Shepherd, Berry, Brown, Christiansen, Coleman, Crawford, M. Davis, Holcomb, Hollowell, Kelly, Ladyman, Lynch, McNair, Richmond, Rye, Slape, B. Smith, Wooten

SENATE JOINT RESOLUTION

AN AMENDMENT TO THE ARKANSAS CONSTITUTION TO CONTINUE
A LEVY OF A ONE-HALF PERCENT SALES AND USE TAX FOR
STATE HIGHWAYS AND BRIDGES; COUNTY ROADS, BRIDGES,
AND OTHER SURFACE TRANSPORTATION; AND CITY STREETS,
BRIDGES, AND OTHER SURFACE TRANSPORTATION AFTER THE
RETIREMENT OF THE BONDS AUTHORIZED IN ARKANSAS
CONSTITUTION, AMENDMENT 91, AS SPECIAL REVENUE TO BE
DISTRIBUTED UNDER THE ARKANSAS HIGHWAY REVENUE
DISTRIBUTION LAW.

Subtitle

*TO CONTINUE A LEVY OF A ONE-HALF PERCENT
SALES AND USE TAX FOR THE STATE'S HIGHWAY
SYSTEM, COUNTY ROADS, AND CITY STREETS.*

BE IT RESOLVED BY THE SENATE OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE
STATE OF ARKANSAS, AND BY THE HOUSE OF REPRESENTATIVES, A MAJORITY OF ALL
MEMBERS ELECTED TO EACH HOUSE AGREEING THERETO:

That the following is proposed as an amendment to the Constitution of
the State of Arkansas, and upon being submitted to the electors of the state
for approval or rejection at the next general election for Representatives
and Senators, if a majority of the electors voting thereon at the election
adopt the amendment, the amendment shall become a part of the Constitution of



the State of Arkansas, to wit:

SECTION 1. The Arkansas Constitution is amended to read as follows:

§ 1. Intent of amendment.

(a) Arkansas Constitution, Amendment 91, levies a one-half percent sales and use tax to provide additional funding for the state's four-lane highway system, county roads, and city streets.

(b) The one-half percent sales and use tax under Arkansas Constitution, Amendment 91, shall be abolished when there are no bonds outstanding to which tax collections are pledged as provided in this amendment.

(c) Notwithstanding Arkansas Constitution, Amendment 91, § 8, it is the intent of this amendment that the sales and use tax levied under Arkansas Constitution, Amendment 91, continue after the retirement of the bonds authorized in Arkansas Constitution, Amendment 91, to provide special revenue for use of maintaining, repairing, and improving the state's system of highways, county roads, and city streets.

§ 2. Excise tax.

(a)(1) Except for food and food ingredients, an additional excise tax of one-half percent (0.5%) is levied on all taxable sales of tangible personal property, specified digital products, a digital code, and services subject to the tax levied by the Arkansas Gross Receipts Act of 1941, Arkansas Code § 26-52-101 et seq.

(2) The tax shall be collected, reported, and paid in the same manner and at the same time as is prescribed by law for the collection, reporting, and payment of all other Arkansas gross receipts taxes.

(b)(1) Except for food and food ingredients, an additional excise tax of one-half percent (0.5%) is levied on all tangible personal property, specified digital products, a digital code, and services subject to the tax levied by the Arkansas Compensating Tax Act of 1949, Arkansas Code § 26-53-101 et seq.

(2) The tax shall be collected, reported, and paid in the same manner and at the same time as is prescribed by law for the collection, reporting, and payment of Arkansas compensating taxes.

§ 3. Disposition of revenue.

(a) The revenue from the taxes levied under § 2 of this amendment shall be distributed to the State Highway and Transportation Department Fund, the County Aid Fund, and the Municipal Aid Fund in the percentages provided in sections § 27-70-201 and § 27-70-206 of the Arkansas Highway Revenue Distribution Law.

(b) No revenue derived from the taxes levied under § 2 of this amendment shall be used to secure bonds issued by the State Highway Commission.

§ 4. Effective date.

(a) If the Chief Fiscal Officer of the State determines that a written statement under Arkansas Constitution, Amendment 91, § 8(b), has been filed with the Chief Fiscal Officer of the State before June 1, 2023, the tax under § 2 of this amendment shall be levied and collected on and after July 1, 2023.

(b) If a written statement under Arkansas Constitution, Amendment 91, § 8(b), has not been filed with the Chief Fiscal Officer of the State before June 1, 2023, the tax under § 2 of this amendment shall not be levied and collected until the first day of the first calendar quarter beginning more than thirty (30) days after a written statement under Arkansas Constitution, Amendment 91, § 8(b), is filed with the Chief Fiscal Officer of the State.

SECTION 2. BALLOT TITLE AND POPULAR NAME. When this proposed amendment is submitted to the electors of this state on the general election ballot:

(1) The title of this Joint Resolution shall be the ballot title; and

(2) The popular name shall be “An Amendment to the Arkansas Constitution Continuing a One-Half Percent (0.5%) Sales and Use Tax for State Highways and Bridges; County Roads, Bridges and Other Surface Transportation; and City Streets, Bridges, and Other Surface Transportation After the Retirement of the Bonds Authorized in Arkansas Constitution, Amendment 91”.

/s/L. Eads