

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
93rd General Assembly
Regular Session, 2021

A Bill

HOUSE BILL 1703

By: Representative Fortner
By: Senator B. Sample

For An Act To Be Entitled

AN ACT TO REQUIRE CASINOS TO REPORT GAMBLING WINNINGS TO THE SECRETARY OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION; TO REQUIRE THAT CASINOS WITHHOLD ARKANSAS INCOME TAX ON GAMBLING WINNINGS; AND FOR OTHER PURPOSES.

Subtitle

TO REQUIRE THAT CASINOS REPORT GAMBLING WINNINGS TO THE SECRETARY OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION AND WITHHOLD ARKANSAS INCOME TAX ON GAMBLING WINNINGS.

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

SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 9, is amended to add an additional section to read as follows:

26-51-920. Casinos – Withholding and reporting.

(a)(1) A casino operating under the authority of The Arkansas Casino Gaming Amendment of 2018, Arkansas Constitution, Amendment 100, that is required to make a return under 26 U.S.C. § 6041, as in effect on January 1, 2021, with respect to the payment of gambling winnings to a person shall also file a report with the Secretary of the Department of Finance and Administration that contains the same information and is filed in the same manner as required for the return filed under 26 U.S.C. § 6041, as in effect on January 1, 2021.



(2)(A) The report required under subdivision (a)(1) of this section shall be filed electronically with the secretary on or before January 31 of each year for the preceding calendar year.

(B) The secretary shall provide a method for casinos to file the report required under subdivision (a)(1) of this section electronically.

(b)(1) A casino operating under the authority of The Arkansas Casino Gaming Amendment of 2018, Arkansas Constitution, Amendment 100, and making payments of gambling winnings that are subject either to withholding or backup withholding under 26 U.S.C. § 3402, as in effect on January 1, 2021, or 26 U.S.C. § 3406, as in effect on January 1, 2021, shall also withhold Arkansas income tax on the same payments of gambling winnings.

(2) Arkansas income tax shall be withheld from the payment of gambling winnings under subdivision (b)(1) of this section at the rate of five and nine-tenths percent (5.9%) or the highest income tax rate imposed on individual taxpayers under § 26-51-201, whichever is less.

(3)(A) The amounts withheld by a casino under this subsection shall be remitted to the secretary electronically on or before the fifteenth day of the month following payment of the gambling winnings by the casino.

(B) The secretary shall provide a method for casinos to report and pay amounts withheld under this subsection to the secretary electronically.