

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

State of Arkansas
94th General Assembly
Regular Session, 2023

A Bill

HOUSE BILL 1818

By: Representative Beaty Jr.

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE PREPAYMENT OF SALES TAX; TO INCREASE THE THRESHOLD FOR THE REQUIREMENT THAT CERTAIN RETAILERS PREPAY SALES TAX; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING THE PREPAYMENT OF SALES TAX; TO INCREASE THE THRESHOLD FOR THE REQUIREMENT THAT CERTAIN RETAILERS PREPAY SALES TAX; AND TO DECLARE AN EMERGENCY.

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

SECTION 1. Arkansas Code § 26-52-512(a), as amended by Acts 2023, No. 193, § 1, and concerning prepayment of sales tax by qualifying retailers, is amended to read as follows:

(a) All retailers within the State of Arkansas registered to collect the Arkansas gross receipts tax who, on July 1, have average net sales of more than ~~two hundred thousand dollars (\$200,000)~~ five hundred thousand dollars (\$500,000) per month for the preceding fiscal year that began on July 1 and ended on June 30 shall, beginning the following January 1, make prepayment of sales tax by electronic funds transfer, as defined in § 26-19-101, according to one (1) of the following payment options:

(1)(A) The taxpayer may elect to make two (2) tax payments by electronic funds transfer for each calendar month. Each payment shall be equal to forty percent (40%) of the tax due on the monthly average net sales



on or before the twelfth and twenty-fourth of that month.

(B) The balance of actual collections for the month shall be remitted with the monthly gross receipts tax report due by the twentieth day of the following month; or

(2)(A) The taxpayer may elect to pay by electronic funds transfer an amount equal to or exceeding eighty percent (80%) of the gross receipts tax liability for each calendar month on or before the twenty-fourth of that month.

(B) The balance of actual collections for the month shall be remitted with the monthly gross receipts tax report due by the twentieth day of the following month.

SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the current method for calculating the prepayment requirements for sales and use tax does not provide adequate time for businesses to ensure their compliance and inadvertently puts businesses in an untenable position of being unable to properly comply with existing tax laws. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of public peace, health, and safety shall become effective on July 1, 2023.