

State of Arkansas
85th General Assembly
Regular Session, 2005

A Bill

SENATE BILL 441

By: Senators Hill, Broadway, Brown, Glover, Higginbotham, Horn, J. Jeffress, Laverty, Miller, Salmon, Steele, Trusty, Whitaker, Wooldridge By: Representatives Mack, Stovall, Adcock, Blair, Bolin, Bond, Borhauer, Boyd, Bradford, Burris, Clemons, Cook, Cowling, D. Creekmore, Dangeau, Davenport, Dobbins, Dunn, Edwards, Elliott, Everett, Fite, Goss, R. Green, Hardwick, Harrelson, Jackson, D. Johnson, J. Johnson, Key, Kidd, Ledbetter, Maloch, J. Martin, Matayo, Mathis, Maxwell, Medley, Nichols, Ormond, Overbey, Petrus, S. Prater, Rankin, Reep, Roebuck, Saunders, Scroggin, L. Smith, Sullivan, Sumpter, Wells, Wills, Wyatt

For An Act To Be Entitled
AN ACT TO PROVIDE FOR THE DISTRIBUTION OF THE
RENTAL VEHICLE TAX; AND FOR OTHER PURPOSES.

Subtitle
TO PROVIDE FOR THE DISTRIBUTION OF THE
RENTAL VEHICLE TAX.

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

SECTION 1. Arkansas Code § 26-52-311(c), concerning the distribution of the additional rental vehicle tax, is amended to read as follows:

(c)(1) There is also imposed another additional rental vehicle tax at the rate of five percent (5%) on the gross receipts or gross proceeds derived from the rentals of licensed motor vehicles leased for a period of less than thirty (30) days.

(2) Except as provided otherwise in this section, 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 the gross receipts tax imposed by the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.

(3)(A)(i) The rental vehicle tax shall be remitted to the director, and the first two million eight hundred fifty thousand dollars (\$2,850,000) each year who shall deposit seventy-five percent (75%) of the net revenues derived from the tax imposed by this subsection shall be deposited in the Arkansas Public Transit Trust Fund, which is created on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State.

(ii) The moneys shall be used by the Arkansas State Highway and Transportation Department for the purpose of acquiring federal matching funds for the purchase of public transportation vehicles, for public transit equipment or facilities, and for the operation of the United States Department of Transportation Federal Transit Administration Assistance programs.

(B) The remaining twenty-five percent (25%) of the revenues shall be deposited in the Department of Education Public School Fund Account to be used exclusively for teacher salaries.

SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that public transportation vehicles, equipment, and facilities need to be purchased and replaced in order to serve the citizens of Arkansas and ensure their safety on the roads within this state; that matching federal funds are available that enables the State of Arkansas to receive financial assistance to purchase public transportation vehicles, equipment and facilities; and that for the proper administration of this act it should become effective at the beginning of the next fiscal year. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2005.

APPROVED: 3/07/2005

**Act 949 AN ACT TO ESTABLISH THE ARKANSAS PUBLIC TRANSIT TRUST
FUND; AND FOR OTHER PURPOSES.**

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

State of Arkansas *As Engrossed: S2/27/01*

83rd General Assembly

A Bill

Act 949 of 2001

Regular Session, 2001

SENATE BILL 581

By: Senators K. Smith, Horn, Miller, J. Jeffress By: Representatives Bevis, Jones, House, Lewellen, Judy, Dees, Adams, Allison, Bond, Bookout, Boyd, Bradford, Bright, Bolin, Borhauer, Carson, Clemons, Cowling, Creekmore, Eason, J. Elliott, Fite, Gillespie, Gipson, Glover, Goss, Green, Hathorn, Hausam, Hickinbotham, Jackson, Jacobs, G. Jeffress, C. Johnson, King, Ledbetter, Lendall, Lowery, McMellon, Mack, Mathis, Moore, Napper, Nichols, Oglesby, Prater, Rankin, Rodgers, Roebuck, Salmon, Shoffner, Scrimshire, Scroggin, Seawel, R. Smith, M. Steele, T. Steele, Stovall, Thomas, Trammell, Weaver, White, Wood

For An Act To Be Entitled

AN ACT TO ESTABLISH THE ARKANSAS PUBLIC TRANSIT TRUST FUND; AND FOR OTHER PURPOSES.

Subtitle

TO ESTABLISH THE ARKANSAS PUBLIC TRANSIT
TRUST FUND.

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

SECTION 1. Arkansas Code 26-52-311 is amended to read as follows:

26-52-311. Rental vehicle tax.

(a)(1) In addition to the gross receipts tax or compensating use tax levied by Title 26, there is levied a tax to be known as the "rental vehicle tax". The rental vehicle tax shall be levied on the gross receipts or gross proceeds derived from rentals of licensed motor vehicles leased for a period of less than thirty (30) days. The gross receipts or gross proceeds derived from the rentals shall be taxable whether or not the gross receipts tax levied by § 26-52-101 et seq., or the compensating use tax levied by § 26-53-101 et seq., was paid at the time of registration.

(2) The gross receipts or gross proceeds derived from the sale of a motor vehicle to a person engaged in the business of renting licensed motor vehicles shall be exempt from taxation under the gross receipts tax levied by § 26-52-101 et seq., the compensating use tax levied § 26-53-101 et seq., and any municipal or county sales taxes, if the motor vehicle is used exclusively for the purpose of rentals for a period of less than thirty (30) days.

(b)(1) ~~The~~ In addition to the rate in subsection (c), the rental vehicle tax shall be levied at the same rate as

the combined gross receipts taxes levied by §§ 26-52-301 and 26-52-302 and any act supplemental thereto and the rate of any applicable municipal or county taxes.

~~(e)~~(2) Except as provided otherwise in this section, 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 the gross receipts tax imposed by § 26-52-101 et seq.

~~(d)~~(1)(3)(A) The rental vehicle tax shall be remitted to the Director of the Department of Finance and Administration and, except for the amount equal to the municipal and county taxes, shall be deposited in the State Treasury as general revenues.

~~(2)~~(B) The amount of the tax which is based on the municipal and county sales taxes shall be remitted to the city or county in the same manner as for municipal and county sales taxes.

~~(c)~~(1) There is also imposed another additional rental vehicle tax at the rate of five percent (5%) on the gross receipts or gross proceeds derived from the rentals of licensed motor vehicles leased for a period of less than thirty (30) days.

(2) Except as provided otherwise in this section, 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 the gross receipts tax imposed by the Arkansas Gross Receipts Act of 1941.

(3)(A)(i) The rental vehicle tax shall be remitted to the Director of the Department of Finance and Administration and the first two million, eight hundred fifty thousand dollars (\$2,850,000) each year of the net revenues derived from the tax imposed by this subsection (c) shall be deposited in the Arkansas Public Transit Trust Fund, which is created on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State.

(ii) The monies shall be used by the Arkansas State Highway and Transportation Department for the purpose of acquiring federal matching funds for the purchase of public transportation vehicles, public transit equipment or facilities, and for the operation of the United States Department of Transportation Federal Transit Administration Assistance programs.

(B) The remaining revenues shall be deposited in the General Education Public School Fund Account to be used exclusively for teacher salaries.

~~(e)~~(d)(1) It shall be unlawful for any person engaged in the business of renting licensed motor vehicles for a period of less than thirty (30) days to include a surcharge on the rental of the motor vehicles for any gross receipts taxes or compensating use taxes paid by the person.

(2) Any person who violates this section shall be subject to a fine not to exceed one thousand dollars (\$1,000).

~~(f)~~(e) The tax levied by this section shall not apply to the lease or rental of diesel trucks rented or leased for commercial shipping or farm machinery or farm equipment rented or leased for a commercial purpose.

~~(g)~~(f) The rental vehicle tax shall not apply to gasoline or diesel- powered trucks rented or leased for residential moving or shipping.

SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly that public transportation vehicles, equipment, and facilities need to be replaced or purchased in order to ensure the safety of the citizens on the roads in the State of Arkansas. Matching federal funds enables the State of Arkansas to receive assistance in the purchase of these items. Therefore, an emergency is declared to exist and this act

being immediately necessary for the preservation of the public peace, health and safety shall become effective on July 1, 2001.

/s/ K. Smith

APPROVED: BECAME LAW ON 3/20/2001, WITHOUT THE GOVERNOR'S SIGNATURE.