

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

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023
4
5 By: Representative L. Fite
6 By: Senator K. Hammer
7

HJR 1007

HOUSE JOINT RESOLUTION

9 AN AMENDMENT TO THE ARKANSAS CONSTITUTION TO LEVY AN
10 EXCISE TAX OF ONE-HALF OF ONE PERCENT (0.50%) ON
11 CERTAIN TAXABLE SALES TO REIMBURSE COUNTIES FOR THE
12 TAX REVENUE REDUCTION RESULTING FROM THE HOMESTEAD
13 PROPERTY TAX CREDIT UNDER ARKANSAS CONSTITUTION,
14 AMENDMENT 79, AND ADMINISTER THE APPLICATION OF THE
15 HOMESTEAD PROPERTY TAX CREDIT UNDER ARKANSAS
16 CONSTITUTION, AMENDMENT 79.

Subtitle

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20 A CONSTITUTIONAL AMENDMENT TO LEVY AN
21 EXCISE TAX ON CERTAIN TAXABLE SALES TO
22 REIMBURSE COUNTIES FOR THE HOMESTEAD
23 PROPERTY TAX CREDIT AND ADMINISTER THE
24 APPLICATION OF THE HOMESTEAD PROPERTY TAX
25 CREDIT.
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27

28 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-FOURTH GENERAL
29 ASSEMBLY OF THE STATE OF ARKANSAS, AND BY THE SENATE, A MAJORITY OF ALL
30 MEMBERS ELECTED TO EACH HOUSE AGREEING THERETO:
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32 THAT the following is proposed as an amendment to the Constitution of
33 the State of Arkansas, and upon being submitted to the electors of the state
34 for approval or rejection at the next general election for Representatives
35 and Senators, if a majority of the electors voting thereon at the election
36 adopt the amendment, the amendment shall become a part of the Constitution of



1 the State of Arkansas, to wit:

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3 SECTION 1. Arkansas Constitution, Amendment 79, is amended to add an
4 additional section to read as follows:

5 § 5. Excise tax for administering homestead credit.

6 (a)(1)(A) An additional excise tax of one-half of one percent (0.50%)
7 is levied on all taxable sales of tangible personal property, specified
8 digital products, a digital code, and services subject to the tax levied by
9 the Arkansas Gross Receipts Act of 1941, Arkansas Code § 26-52-101 et seq.

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

13 (2)(A) An additional excise tax of one-half of one percent
14 (0.50%) is levied on all tangible personal property, specified digital
15 products, a digital code, and services subject to the tax levied by the
16 Arkansas Compensating Tax Act of 1949, Arkansas Code § 26-53-101 et seq.

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

20 (b) The taxes under subsection (a) of this section shall not be levied
21 upon:

22 (1) Food and food ingredients; and

23 (2) The sale of used motor vehicles, trailers, and semitrailers.

24 (c) The revenue from the taxes under subsection (a) of this section
25 shall be used solely for:

26 (1) Reimbursing counties for the tax revenue reduction resulting
27 from the homestead property tax credit provided for under § 3 of this
28 amendment; and

29 (2) Administering the application of the homestead property tax
30 credit provided for under § 3 of this amendment.

31 (d) This amendment does not prohibit the General Assembly from
32 allocating all or a portion of other taxes levied by Arkansas law, including
33 without limitation taxes levied upon food and food ingredients and the sale
34 of used vehicles, trailers, and semitrailers, to the purposes under
35 subsection (c) of this section.

36 (e) The General Assembly may enact laws necessary to implement this

1 section.

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3 SECTION 2. EFFECTIVE DATE. This amendment shall be effective on and
4 after January 1, 2025.

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6 SECTION 3. BALLOT TITLE AND POPULAR NAME. When this proposed
7 amendment is submitted to the electors of this state on the general election
8 ballot:

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

11 (2) The popular name shall be "A Proposed Amendment to the
12 Arkansas Constitution to Levy an Excise Tax of One-Half Percent (0.5%) on
13 Certain Taxable Sales to Reimburse Counties for the Tax Revenue Reduction
14 Resulting from the Homestead Property Tax Credit under Arkansas Constitution,
15 Amendment 79, and Administer the Application of the Homestead Property Tax
16 Credit under Arkansas Constitution, Amendment 79."