

1 State of Arkansas As Engrossed: H2/4/21 H2/23/21 H2/24/21

2 93rd General Assembly

A Bill

3 Regular Session, 2021

HOUSE BILL 1023

4

5 By: Representatives Lowery, Jett, Ray

6 By: Senator M. Johnson

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For An Act To Be Entitled

9 AN ACT TO AMEND THE SALES TAX LAWS CONCERNING SPECIAL
10 EVENTS; TO EXCLUDE CERTAIN SCHOOL FUNDRAISERS FROM
11 THE SALES TAX LAWS REGULATING SPECIAL EVENTS; AND FOR
12 OTHER PURPOSES.

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Subtitle

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

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25 SECTION 1. Arkansas Code § 26-52-401, concerning sales tax exemptions
26 for various products and services, is amended to add an additional
27 subdivision to read as follows:

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(42)(A) Gross receipts or gross proceeds derived from sales of tangible personal property, specified digital products, a digital code, or services by a parent teacher organization, a parent teacher association, or a similar organization that is:

(i) An organization described in 26 U.S.C. § 501(c)(3), as in effect on January 1, 2021; and

(ii) Affiliated with a public school.

(B) As used in this subdivision (42), "public school" means any school operated by a public school district or any open-enrollment



1 public charter school, as defined in § 6-23-103.

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3 SECTION 2. Arkansas Code § 26-52-518(a)(3)(C), concerning the
4 definition of "special event" in relation to the collection of sales taxes,
5 is amended to read as follows:

6 (C) The special events shall not include: ~~any~~

7 (i) A county, district, or state fair; ~~or the~~

8 (ii) The four states livestock show that has been
9 approved, ~~pursuant to~~ under the rules of the Arkansas Livestock and Poultry
10 Commission, to receive state funds; ~~or~~

11 (iii)(a) A public school fundraising event sponsored
12 by a parent teacher organization, a parent teacher association, or a similar
13 organization if the:

14 (1) Ticket sales to the fundraising
15 event are sold by public school personnel, students, parents of students, and
16 community volunteers and businesses; and

17 (2) Gross proceeds from the ticket sales
18 are used to directly assist the public school in fulfilling its mission of
19 educating children.

20 (b) As used in this subdivision

21 (a)(3)(C)(iii), "public school" means any school operated by a public school
22 district or any open-enrollment public charter school, as defined in § 6-23-
23 103; and

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25 SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective
26 on the first day of the calendar quarter following the effective date of this
27 act.

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29 /s/Lowery