

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.

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

A Bill

HOUSE BILL 1033

5 By: Representative D. Altes
6

For An Act To Be Entitled

8 AN ACT TO DECLARE AN EMERGENCY AND CREATE A BACK-TO-
9 SCHOOL TAX-FREE HOLIDAY BY EXEMPTING ITEMS OF
10 CLOTHING FROM SALES AND USE TAX DURING A LIMITED TIME
11 PERIOD; AND FOR OTHER PURPOSES.
12

Subtitle

13 TO CREATE A BACK-TO-SCHOOL TAX-FREE
14 HOLIDAY BY EXEMPTING ITEMS OF CLOTHING
15 FROM SALES AND USE TAX DURING A LIMITED
16 TIME PERIOD.
17
18
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended
23 to add an additional section to read as follows:

24 26-52-444. Sales tax holiday for clothing.

25 (a) As used in this section, "clothing" means all human wearing
26 apparel suitable for general use.

27 (b) The gross receipts or gross proceeds derived from the sale of
28 clothing are exempt from the gross receipts tax levied by the Arkansas Gross
29 Receipts Act of 1941, § 26-52-101 et seq. and the compensating use tax levied
30 by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq., every year
31 from 12:01 a.m. until 11:59 p.m. on the first Saturday in August.

32 (c) The exemption in subsection (b) of this section does not apply to:

33 (1) An item of clothing in which the gross receipts or gross
34 proceeds paid for the item of clothing exceeds seventy-five dollars (\$75.00);

35 (2) Sport or recreational equipment that is worn in conjunction
36 with an athletic or recreational activity and is not suitable for general



1 use;

2 (3) Clothing accessories or equipment and similar items worn on
 3 the person or in conjunction with clothing; and

4 (4) Protective equipment that is worn and designed as protection
 5 of the wearer against injury or disease or as protection against damage or
 6 injury of other persons or property and is not suitable for general use.

7 (d) The Department of Finance and Administration shall promulgate
 8 rules to implement this section.

9
 10 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
 11 General Assembly of the State of Arkansas that clothing school children is
 12 very costly; that the cost of clothing school children is always increasing;
 13 that to help defray the cost of clothing school children a sales tax holiday
 14 on the sale of clothing is necessary; and that in order to ensure that
 15 families are able to enjoy this exemption when purchasing school clothes for
 16 the upcoming school year this act should become effective on June 1, 2011.
 17 Therefore, an emergency is declared to exist, and this act being necessary
 18 for the preservation of the public peace, health, and safety shall become
 19 effective on June 1, 2011.