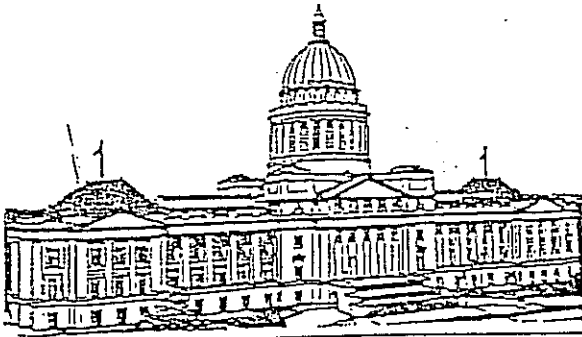


ARKANSAS REGISTER

Transmittal Sheet



Sharon Priest
Secretary of State
State Capitol Rm. 01
Little Rock, Arkansas 72201-1094

For Office Use Only: Effective Date 3/13/00 Code Number 006.05.00 - 003

Name of Agency Department of Finance & Administration

Department Revenue Division

Contact Person Paul Louthian Phone 682-7751

Statutory Authority for Promulgating Rules AR Code Ann. 86-18-301

Exemptions from Tax, Newspapers, Publication & Billboards

Intended Effective Date

Legal Notice Published : 12-14-99

☐ Emergency

Final Date for Public Comment

☒ 10 Days After Filing

Filed With Legislative Council yes

☐ Other

Reviewed by Legislative Council yes

Adopted by State Agency

CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted
In Compliance with Act 434 of 1967 As Amended.

[Signature]
Signature

682-7751
Phone Number

Problem Resolution Officer
Title

March 3, 2000
Date

FILED
AR. REGISTER DIV.
00 MAR '00 PM 2:53
SHARON PRIEST
SECRETARY OF STATE
STATE OF ARKANSAS

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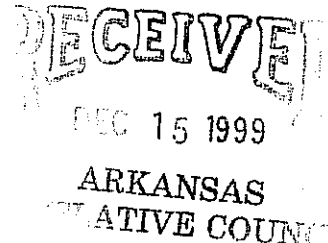
QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY: Department of Finance and Administration
DIVISION: Revenue Division
DIVISION DIRECTOR: Dick Barclay, Director
CONTACT PERSON: Don Zern, Taxpayer Information Officer
ADDRESS: P. O. Box 1272, Little Rock, Arkansas 72203
PHONE NO.: (501) 682-7751
FAX NO.: (501) 682-7900

INSTRUCTIONS

- A. Please make copies of this form for future use.
B. Please answer each question completely using layman terms. You may use additional sheets, if necessary.
C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
D. Submit two (2) copies of this questionnaire attached to the front of two (2) copies of your proposed rule and mail or deliver to:

Donna K. Davis
Subcommittee on Administrative Rules and Regulations
Arkansas Legislative Council
Bureau of Legislative Research
Room 315, State Capitol
Little Rock, AR 72201

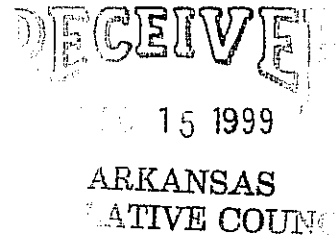


1. What is the short title of this rule?
Gross Receipts Regulation GR-48 (Exemptions From Tax - Newspapers, Publication and Billboards).
2. What is the subject of the proposed rule?
Section (A)(1) was amended for the purpose of redefining the term newspaper in order to be consistent with the exemption from tax provided for in GR-56 and in the amended Manufacturing Exemption - Newspaper Regulation (GR-56.2).
3. Is this rule required to comply with federal statute or regulations?
Yes: No: **XX**
- If yes, please provide the federal regulation and/or statute citation.
4. Was this rule filed under the emergency provisions of the Administrative Procedure Act?
Yes: No: **XX**
- If yes, what is the effective date of the emergency rule?
- When does the emergency rule expire?
- Will this emergency rule be promulgated under the regular provisions of the Administrative Procedure Act?
Yes: ____ No: ____
5. Is this a new rule? Yes: **XX** No:
- Does this repeal an existing rule? Yes: No: **XX**

If yes, please provide a copy of the repealed, rule.

Is this an amendment to an existing rule? If yes, please attach a markup showing the changes in the existing rule and a summary of the substantive changes. **Yes. Please attached marked copy.**

6. What state law grants the authority for this proposed rule? If codified, please give Arkansas Code citation.
Ark. Code Ann. 26-52-401.
7. What is the purpose of this proposed rule? Why is it necessary?
To give the Department of Finance and Administration an amended definition of the term "newspaper" to coincide with other previously promulgated and new regulations regarding manufacturer's exemptions for newspapers, publications and billboards.
8. Will a public hearing be held on this proposed rule?
Yes: **XX** No: If yes, please give the date, time, and place of the public hearing?
A public hearing will be held at 1:00 p.m. on Tuesday, Feb. 1, 2000 in the Second Floor Conference Room (2053) of the Ragland Service Center Building at 7th and Battery Streets in Little Rock, Arkansas.
9. When does the public comment period expire? **Wednesday, February 9, 2000**
10. What is the proposed effective date of this proposed rule? **February 20, 2000.**
11. Do you expect this rule to be controversial? Yes: No: **XX**
If yes, please explain.
12. Please give the names of persons, groups, or organizations which you expect to comment on these rules? Please provide their position (for or against) if known.
Please see the attach list of names of those who received a copy of this proposed permanent regulation..



PLEASE ANSWER ALL QUESTIONS COMPLETELY

July 28, 1995

DEPARTMENT: Department of Finance and Administration
DIVISION: Revenue Division:
PERSON COMPLETING: John Theis, Assistant Commissioner of Revenue, Policy and Legal
THIS STATEMENT:
TELEPHONE NO.: (501) 682-7000
FAX NO.: (501) 682-7900

FILED
AR. REGISTER DIV.
00 MAR 3 PM 2:53
JASON PRIEST
SECRETARY OF STATE
STATE OF ARKANSAS
BY _____

FINANCIAL IMPACT STATEMENT

To comply with Act 884 of 1995, please complete the following Financial Impact Statement and file with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE: Gross Receipts Regulation GR-48 -- (Exemption from Tax -- Newspapers, Publications and Billboards).

1. Does this proposed, amended, or repealed rule or regulation have a financial impact?
Yes: No: **XX**
2. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.
3. If the purpose of this rule or regulation is to implement a federal rule or regulation, please give the incremental cost for implementing the regulation. **Does Not Apply.**

1999-2000 Fiscal Year
General Revenue: _____
Federal Funds: _____
Cash Funds: _____
Special Revenue: _____
Other: _____
Total: \$ 0

None

2000-2001 Fiscal Year
General Revenue: _____
Federal Funds: _____
Cash Funds: _____
Special Revenue: _____
Other: _____
Total: \$ 0

None

4. What is the total estimated cost by fiscal year to any party subject to the, proposed, amended, or repealed rule or regulation? **None.**

1999-2000 Fiscal Year
None

2000-2001 Fiscal Year
None

5. What is the total estimated cost by fiscal year to the agency to implement this regulation?

1999-2000 Fiscal Year
No additional cost

2000-2001 Fiscal Year
No additional cost

RECEIVED

MAR 15 1999

ARKANSAS
LEGISLATIVE COUNCIL

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MAR 1 1999

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DEC 15 1999

AMENDMENT TO
ARKANSAS GROSS RECEIPTS REGULATION GR-48 ARKANSAS
LEGISLATIVE COUNCIL

These amendments to the Arkansas Gross Receipts Regulations are necessary in order to properly implement and enforce Ark. Code Ann. § 26-52-401 and are promulgated pursuant to the authority vested in the Director of the Department of Finance and Administration and the Commissioner of Revenue by Act 386 of 1941 and Act 401 of 1979.

Gross Receipts Regulation GR-48 is amended to read as follows:

"A. For purposes of this Section, the following definitions are applicable:

1. The term "newspaper" means a stated short interval publication usually daily or weekly in sheet form customarily printed on newsprint consisting of news, editorials, feature articles, and advertising containing reports of current events and articles of general interest to the public, published regularly in short intervals such as daily, weekly, or bi-weekly, and intended for general circulation.
2. The term "advertising space" means space located within the body of a newspaper or publication, containing advertisements which are printed concurrently with the news, articles, features, or other attractions in the newspaper or publication and the classified advertising section.
3. The term "advertising supplement" means a publication in sheet form, other than the usual classified advertising section of a newspaper, printed in Arkansas by a newspaper publisher or job printer, containing advertising only and which is not physically attached to a newspaper, but which may be distributed with a newspaper or by other means.
4. The term "billboard advertising services" means any and all services rendered in connection with the rental or lease of advertising space on a structure which is affixed to the land for the purpose of posting advertising messages.
5. The term "publication" means any pamphlet, magazine, journal, or periodical, other than a newspaper, designed for the information or entertainment of the general public or any segment thereof.
6. The term "regular subscription" means the purchase by advance payment of a specified number (2 or more) of issues of a publication over a certain period of time, and delivered to the subscriber by mail or otherwise.

B. The gross receipts or gross proceeds derived from the sale of newspapers are exempt from the tax.

C. The gross receipts or gross proceeds derived from the sale or rental of advertising space in newspapers and publications are exempt from the tax. Advertising supplements are not exempt from the tax. The printer, whether a newspaper publisher or job printer, must collect the tax on the gross receipts or gross proceeds derived from the sale of the advertising supplements to the advertiser, even though the advertising supplement may be distributed by insertion in a newspaper for the convenience of the advertiser.

D. The gross receipts or gross proceeds derived from the sale of advertising space in advertising supplements or other publications distributed free of charge are exempt from tax. The printer, whether a newspaper publisher or job printer, must collect tax on the

gross receipts or gross proceeds derived from the sale of the advertising supplements to the distributor. If the printer is also the distributor, the printer should pay tax on the retail price which the printer would have charged to a customer who purchased the advertising supplements or publications from the printer in an arms length transaction.

E. The gross receipts or gross proceeds derived from the sale of billboard advertising services are exempt from the tax.

F. The gross receipts or gross proceeds derived from the sale of any publication through regular subscription is exempt.

G. The gross receipts or gross proceeds derived from the sale of any non-subscription magazines, or publications other than newspapers are subject to the tax.

H. The gross receipts or gross proceeds derived from the sale of machinery and equipment to newspaper publishers are exempt from the tax if they satisfy the requirements set forth in GR-55."

Dick Barclay
Director, Department of Finance
and Administration

11-29-99
Date

Tim Leathers
Commissioner of Revenue

11-29-99
Date