

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

A Bill

HOUSE BILL 1556

5 By: Representative Nickels
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For An Act To Be Entitled

8 AN ACT TO INCREASE THE MAXIMUM WORKERS' COMPENSATION
9 TAX; TO REQUIRE THAT AN ADDITIONAL PORTION OF THE
10 WORKERS' COMPENSATION PREMIUM TAX BE CREDITED TO THE
11 DEATH AND PERMANENT TOTAL DISABILITY TRUST FUND; TO
12 AMEND PORTIONS OF THE ARKANSAS CODE THAT RESULTED
13 FROM INITIATED ACT 4 OF 1948; AND FOR OTHER PURPOSES.
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Subtitle

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17 TO INCREASE THE WORKERS' COMPENSATION
18 PREMIUM TAX AND REQUIRE THAT A PORTION BE
19 CREDITED TO THE DEATH AND PERMANENT TOTAL
20 DISABILITY TRUST FUND; AND TO AMEND
21 PORTIONS OF THE ARKANSAS CODE THAT
22 RESULTED FROM INITIATED ACT 4 OF 1948.
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code § 11-9-303(a), resulting from Initiated Act 4
28 of 1948 and concerning the payment of a tax on all written manual premiums
29 that is additional to the premium taxes collected from carriers, is amended
30 to read as follows:

31 (a) In addition to the premium taxes collected from carriers, the
32 carriers shall pay annually to the Workers' Compensation Commission a tax, at
33 the rate to be determined ~~as provided in~~ under § 11-9-306 but not to exceed
34 ~~three percent (3%)~~ four percent (4%), on all written manual premiums
35 resulting from the writing of workers' compensation insurance on risks within
36 the state.



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2 SECTION 2. Arkansas Code § 11-9-303(c)(2), resulting from Initiated
3 Act 4 of 1948 and concerning the payment of a tax on all written manual
4 premiums that is additional to the premium taxes collected from carriers, is
5 amended to read as follows:

6 (2) This transfer from the funds created in § 11-9-301 shall be
7 in the same proportions that deposits were made into the three (3) funds ~~as~~
8 ~~set forth in~~ under § 11-9-306(a)-(e).

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10 SECTION 3. Arkansas Code § 11-9-304(a), resulting from Initiated Act 4
11 of 1948 and concerning the payment of the workers' compensation premium tax
12 by a self-insurer, is amended to read as follows:

13 (a) ~~It shall be the duty of the~~ The Workers' Compensation Commission
14 ~~to~~ shall collect a tax from every self-insured employer at a rate to be
15 determined ~~as provided by~~ under § 11-9-306 but not to exceed ~~three percent~~
16 ~~(3%)~~ four percent (4%) of the written manual premium ~~which that~~ would have to
17 be paid under § 11-9-303 by a carrier if the self-insured employer were
18 insured by a carrier.

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20 SECTION 4. Arkansas Code § 11-9-305(a)(1), resulting from Initiated
21 Act 4 of 1948 and concerning the payment of the workers' compensation premium
22 tax by a public employer, is amended to read as follows:

23 (a)(1) ~~It shall be the duty of the~~ The Workers' Compensation
24 Commission ~~to~~ shall collect a tax from every public employer providing
25 workers' compensation coverage to its employees at a rate to be determined ~~as~~
26 ~~provided by~~ under § 11-9-306 but not to exceed ~~three percent (3%)~~ four
27 percent (4%) of the written manual premium ~~which that~~ an insurance carrier
28 would have to pay under § 11-9-303 if the public employer were insured by a
29 carrier.

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31 SECTION 5. Arkansas Code § 11-9-306(d), resulting from Initiated Act 4
32 of 1948 and concerning the determination of a surplus and rate of taxation
33 for the workers' compensation premium tax, is amended to read as follows:

34 (d)(1) The total rate of taxation for all three (3) funds when added
35 together shall not exceed ~~three percent (3%)~~ four percent (4%) of all written
36 manual premiums.

1 (2) The funds collected under §§ 11-9-303 – 11-9-306 that exceed
2 three percent (3%) of all written manual premiums shall be credited to the
3 Death and Permanent Total Disability Trust Fund.

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