

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas  
2 81st General Assembly  
3 Regular Session, 1997  
4

As Engrossed: S4/4/97

# A Bill

ACT 1348 OF 1997  
HOUSE BILL 2179

5 By: Representative Critcher  
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## For An Act To Be Entitled

9 "AN ACT TO AMEND SUBCHAPTER 5 OF TITLE 26, CHAPTER 52, OF  
10 THE ARKANSAS CODE OF 1987 ANNOTATED TO PROVIDE A SALES TAX  
11 CREDIT VOUCHER FOR CONSUMERS WHO PURCHASE AN AUTOMOBILE  
12 WHICH IS DESTROYED BY CATASTROPHIC EVENT WITHIN ONE  
13 HUNDRED EIGHTY (180) DAYS OF THE FIRST PURCHASE; AND FOR  
14 OTHER PURPOSES."

## Subtitle

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17 "TO PROVIDE A SALES TAXES CREDIT FOR  
18 CONSUMERS WHO PURCHASE AN AUTOMOBILE  
19 WHICH IS DESTROYED BY CATASTROPHIC  
20 EVENT."  
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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24 SECTION 1. Subchapter 5 of Title 26, Chapter 52, of the Arkansas Code  
25 of 1987, Annotated, is amended to add a new § 26-52-519 to read as follows:

26 "26-52-519. Credit voucher for sales tax on motor vehicles destroyed by  
27 catastrophic events.

28 (a) When a consumer has paid sales taxes on a motor vehicle within the  
29 last one hundred and eighty (180) days and the motor vehicle is destroyed or  
30 damaged by some catastrophic event resulting from a natural cause to the  
31 extent that the value of the motor vehicle is less than thirty percent (30%)  
32 of its retail value, as found in the National Automobile Dealer's Association  
33 Official Price Guide, or other source approved by the Office of Motor Vehicle,  
34 the consumer may apply to the Director of the Department of Finance and  
35 Administration for a sales tax credit voucher in the amount of any state and  
36 local sales or use taxes paid on the motor vehicle transaction, if the

1 consumer provides to the Department of Finance and Administration:

2 (1) A written request for a credit voucher in accordance with  
3 § 26-18-507;

4 (2) Evidence that the sales tax was paid when the motor vehicle  
5 was registered;

6 (3) Evidence as to the extent of the destruction or damage to the  
7 value of the motor vehicle which is satisfactory to the Department to prove  
8 the value of the motor vehicle prior to the event and the value after the  
9 destruction or damage occurred;

10 (4) Evidence the catastrophic event occurred within one hundred  
11 eighty (180) days of the motor vehicle being first registered; and

12 (5) Any other information as shall be required by the Director of  
13 the Department of Finance and Administration as necessary to issue the  
14 voucher.

15 (b) Claims for credit vouchers of sales or use tax under this section  
16 shall be subject to the Arkansas Tax Procedure Act, § 26-18-101 et seq. Any  
17 claim must be made in writing and filed within one (1) year from the date the  
18 vehicle was first registered.

19 (c) When a consumer has tendered a trade-in motor vehicle toward the  
20 purchase of the vehicle which is credited under subsection (a) of this  
21 section, the consumer may apply to the Director of the Department of Finance  
22 and Administration for a credit voucher in the amount of the trade-in  
23 vehicle's consideration also.

24 (d) The sales and use tax credit vouchers issued under this section  
25 shall be used only to reduce any sales and use taxes due upon registration of  
26 a subsequent replacement vehicle. In no event, shall a cash refund be given  
27 for the sales tax credit voucher or for any excess value of the credit  
28 voucher. The credit voucher shall be valid for six (6) months from the date  
29 of issuance and may only be used by the consumer to whom it was issued.

30 (e) The Director of the Department of Finance and Administration shall  
31 prescribe the forms, the nature of satisfactory proof of the vehicle's values,  
32 and any other information as is necessary to issue the credit vouchers under  
33 this section.

34 (f) The term "natural cause" as used in this section means an act  
35 occasioned exclusively by the violence of nature where all human agency is  
36 excluded from creating or entering into the cause of the damage or injury."

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SECTION 2. All provisions of this act of general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 3. If any provisions of this act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provisions or application, and to this end the provisions of this act are declared to be severable.

SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.

*/s/Critcher*

APPROVED: 4-11-97