

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Senator Hopkins**

A Bill

SENATE BILL

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 26-52-401(18)(F)(iv) TO
9 CLARIFY THE LAW CONCERNING THE GROSS RECEIPTS TAX
10 EXEMPTION FOR THE SALE OF RAW PRODUCTS AS THE EXEMPTION
11 RELATES TO THE SALE OF CHRISTMAS TREES; AND FOR OTHER
12 PURPOSES."

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

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16 SECTION 1. INTENT. It is found and determined by the General Assembly
17 that Arkansas law provides an exemption from the Arkansas Gross Receipts Tax
18 for the gross receipts or gross proceeds derived from the sale of raw products
19 from farms, orchards and gardens, where the sale is made by the producer of
20 the raw products directly to the consumer and user; that this exemption was
21 always intended to include the sale of Christmas trees; that there has been
22 confusion over this exemption because the Christmas tree farmers were
23 erroneously classified by regulation as nurserymen; that a recent chancery
24 court decision declared Christmas tree farmers to be entitled to the
25 exemption; and that the purpose of this act is to clarify the law by stating
26 that Christmas tree farmers are not nurserymen.

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28 SECTION 2. Arkansas Code 26-52-401(18)(F)(iv) is amended to read as
29 follows:

30 "(iv) The provisions of this subdivision shall not be construed to
31 exempt sales by florists and nurserymen. As used in this subdivision,
32 'nurserymen' does not include Christmas tree farmers."

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34 SECTION 3. All provisions of this act of a general and permanent
35 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas

1 Code Revision Commission shall incorporate the same in the Code.

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3 SECTION 4. If any provision of this act or the application thereof to
4 any person or circumstance is held invalid, such invalidity shall not affect
5 other provisions or applications of the act which can be given effect without
6 the invalid provision or application, and to this end the provisions of this
7 act are declared to be severable.

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9 SECTION 5. All laws and parts of laws in conflict with this act are
10 hereby repealed.

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