

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 87th General Assembly
3 Regular Session, 2009

A Bill

HOUSE BILL 1491

4
5 By: Representative Overbey
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For An Act To Be Entitled

9 AN ACT TO EXEMPT FROM EXCISE TAXES MOTOR VEHICLES
10 PROVIDED PURSUANT TO A MANUFACTURER'S VEHICLE
11 WARRANTY OR EXTENDED MOTOR VEHICLE SERVICE
12 CONTRACT; AND FOR OTHER PURPOSES.
13

Subtitle

14 TO EXEMPT FROM EXCISE TAXES MOTOR
15 VEHICLES PROVIDED PURSUANT TO A
16 MANUFACTURER'S VEHICLE WARRANTY OR
17 EXTENDED MOTOR VEHICLE SERVICE CONTRACT.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended
24 add a new section to read as follows:

25 26-52-442. Rental of motor vehicle under a manufacturer's motor
26 vehicle warranty or extended motor vehicle service contract.

27 The gross receipts or gross proceeds derived from the rental of a motor
28 vehicle that is being provided by a dealer, manufacturer, or a third party
29 under a manufacturer's motor vehicle warranty or extended motor vehicle
30 service contract are exempt from the gross receipts tax levied by this
31 chapter and the compensating use tax levied by the Arkansas Compensating Tax
32 Act of 1949, § 26-53-101 et seq., if the gross receipts tax levied by this
33 chapter or the compensating use tax levied by the Arkansas Compensating Tax
34 Act of 1949, § 26-53-101 et seq., has been paid on the manufacturer's motor
35 vehicle warranty or extended motor vehicle service contract.
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1 SECTION 2. Arkansas Code § 26-63-301(c), concerning the exceptions to
 2 the short-term rental tax on tangible personal property, is amended to read
 3 as follows:

4 (c) The tax levied by this section does not apply to the lease or
 5 rental of:

- 6 (1) A diesel truck leased or rented for commercial shipping; ~~and~~
- 7 (2) Farm machinery or farm equipment leased or rented for a
 8 commercial purpose; and
- 9 (3) A motor vehicle that is being provided by a dealer,
 10 manufacturer, or a third party under a manufacturer's motor vehicle warranty
 11 or extended motor vehicle service contract if the gross receipts tax levied
 12 by the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., or the
 13 compensating use tax levied by the Arkansas Compensating Tax Act of 1949, §
 14 26-53-101 et seq., has been paid on the manufacturer's motor vehicle warranty
 15 or extended motor vehicle service contract.

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 17 SECTION 3. Arkansas Code § 26-63-302(d), concerning the rental vehicle
 18 tax, is amended to read as follows:

19 (d) Both the rental vehicle tax and the additional rental vehicle tax
 20 levied by this section do not apply to the lease or rental of:

- 21 (1) A diesel truck leased or rented for commercial shipping;
- 22 (2) Farm machinery or farm equipment leased or rented for a
 23 commercial purpose; ~~and~~
- 24 (3) A gasoline-powered or diesel-powered truck leased or rented
 25 for residential moving or shipping; and
- 26 (4) A motor vehicle that is being provided by a dealer,
 27 manufacturer, or a third party under a manufacturer's motor vehicle warranty
 28 or extended motor vehicle service contract if the gross receipts tax levied
 29 by the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., or the
 30 compensating use tax levied by the Arkansas Compensating Tax Act of 1949, §
 31 26-53-101 et seq., has been paid on the manufacturer's motor vehicle warranty
 32 or extended motor vehicle service contract.

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 34 SECTION 4. Arkansas Code § 26-63-304(d), concerning long-term rental
 35 vehicle tax, is amended to read as follows:

36 (d) The long-term rental vehicle tax does not apply to:

1 (1) A diesel truck rented or leased for commercial shipping;

2 (2) Farm machinery or farm equipment rented or leased for a
3 commercial purpose; ~~or~~

4 (3) A gasoline-powered or diesel-powered truck rented or leased
5 for residential moving or shipping; and

6 (4) A motor vehicle that is being provided by a dealer,
7 manufacturer, or a third party under a manufacturer's motor vehicle warranty
8 or extended motor vehicle service contract if the gross receipts tax levied
9 by the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., or the
10 compensating use tax levied by the Arkansas Compensating Tax Act of 1949, §
11 26-53-101 et seq., has been paid on the manufacturer's motor vehicle warranty
12 or extended motor vehicle service contract.

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14 SECTION 5. EFFECTIVE DATE. Sections 1 through 4 are effective on the
15 first day of the calendar quarter following the effective date of this act.

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