

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023
4

A Bill

HOUSE BILL 1172

5 By: Representative Vaught
6 By: Senator Dees
7

For An Act To Be Entitled

9 AN ACT TO CREATE A SALES AND USE TAX EXEMPTION FOR
10 MORTALITY COMPOSTING DEVICES SOLD TO A COMMERCIAL
11 LIVESTOCK OR POULTRY PRODUCER; AND FOR OTHER
12 PURPOSES.
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Subtitle

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16 TO CREATE A SALES AND USE TAX EXEMPTION
17 FOR MORTALITY COMPOSTING DEVICES SOLD TO
18 A COMMERCIAL LIVESTOCK OR POULTRY
19 PRODUCER.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4, is
25 amended to add an additional section to read as follows:

26 26-52-455. Mortality composting device – Definition.

27 (a)(1) As used in this section, "mortality composting device" means a
28 device that:

29 (A) Is designed for the purposes of the biological
30 decomposition and stabilization of organic matter under controlled aerobic
31 conditions; and

32 (B) Confines the composting materials to a container or
33 receptacle rather than a building or concrete bunker.

34 (2) "Mortality composting device" does not include:

35 (A) An attachment, accessory, or supplemental component
36 not essential to the operation of the mortality composting device, except



1 when sold as party of an assembled unit;

2 (B) A service to maintain or repair a mortality composting
3 device;

4 (C) A repair or replacement part used in maintaining or
5 repairing a mortality composting device; or

6 (D) Mixing materials or other products used in the process
7 of composting animal carcasses, including without limitation water, oxygen,
8 nitrogen sources used in addition to the purchaser's animal mortalities, and
9 high carbon sources, such as straw, corn stalks, sawdust, woodchips, dry bed
10 pack, litter, and cake.

11 (b) The gross receipts or gross proceeds derived from the sale of a
12 new or used mortality composting device to a person engaged in the commercial
13 production of livestock or poultry are exempt from the gross receipts tax
14 levied by this chapter and the compensating use tax levied by the Arkansas
15 Compensating Tax Act of 1949, § 26-53-101 et seq.

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17 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the
18 first day of the calendar quarter following the effective date of this act.

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21 **APPROVED: 4/11/23**
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