

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

**A BILL ACT 458 OF 1991**  
**SENATE BILL 312**

**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."

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

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.

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."

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

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

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 All laws and parts of laws in conflict with this act are hereby repealed.

APPROVED: 3-11-91