

1 **State of Arkansas**  
2 **79th General Assembly**  
3 **Second Extraordinary Session, 1994**  
4 **By: Senator Todd**

# A Bill

**Call Item No. 40**  
**ACT 25 OF 1994**  
**SENATE BILL 43**

## For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE TITLE 26, CHAPTER 52,  
9 SUBCHAPTER 4 AND ARKANSAS CODE TITLE 26, CHAPTER 53,  
10 SUBCHAPTER 1 TO EXEMPT CERTAIN RAILROAD ROLLING STOCK FROM  
11 THE ARKANSAS GROSS RECEIPTS TAX AND ARKANSAS COMPENSATING  
12 TAX; AND FOR OTHER PURPOSES."

## Subtitle

15 "AN ACT TO EXEMPT CERTAIN RAILROAD  
16 ROLLING STOCK FROM THE ARKANSAS GROSS  
17 RECEIPTS TAX AND ARKANSAS COMPENSATING  
18 TAX.

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

23 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended  
24 to add an additional section to read as follows:

25 "26-52-426(a). The gross receipts or gross proceeds derived from the  
26 sale or lease of railroad rolling stock manufactured for use in transporting  
27 persons or property in interstate commerce is exempt from the Arkansas Gross  
28 Receipts Tax levied by the Arkansas Gross Receipts Act, § 26-52-101 et seq.

29 (b) For the purpose of this section, \_railroad rolling stock\_ means  
30 completed railroad locomotives and completed railroad cars designed to haul  
31 either passengers or freight. \_Railroad rolling stock\_ shall not include  
32 repair parts or materials used to repair locomotives or railroad cars,  
33 components of railroad cars or locomotives, trailers, or any property not used  
34 directly in the transportation of passengers or freight. \_Railroad rolling  
35 stock\_ shall also not include machinery used to repair or maintain railroad  
36 cars, locomotives, track, railroad ties or railroad roadway."

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SECTION 2. Arkansas Code Title 26, Chapter 53, Subchapter 1 is amended to add an additional section to read as follows:

"26-53-137. Railroad rolling stock manufactured for use in transporting persons or property in interstate commerce are exempt from the taxes levied in this subchapter."

SECTION 3. All provisions of this act of a 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 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: 8-23-94

