

As Engrossed: 2/17/95

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**
4 **By: Senators Bell, Boozman and Walters**

A Bill

ACT 504 OF 1995
SENATE BILL 495

For An Act To Be Entitled

8 "AN ACT TO EXEMPT FROM THE SALES TAX THE GROSS PROCEEDS
9 DERIVED FROM THE LONG TERM LEASE OF COMMERCIAL TRUCKS USED
10 FOR INTERSTATE TRANSPORTATION OF GOODS IF THE TRUCKS ARE
11 REGISTERED UNDER THE INTERNATIONAL REGISTRATION PLAN; AND
12 FOR OTHER PURPOSES."

Subtitle

15 "EXEMPT FROM THE SALES TAX THE GROSS
16 PROCEEDS DERIVED FROM THE LONG TERM
17 LEASE OF COMMERCIAL TRUCKS USED FOR
18 INTERSTATE TRANSPORTATION OF GOODS IF
19 THE TRUCKS ARE REGISTERED UNDER THE
20 INTERNATIONAL REGISTRATION PLAN."

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

24 SECTION 1. Arkansas Code § 26-52-401 is amended to add a new subsection
25 to read as follows:

26 "Gross receipts or gross proceeds derived from the long term (thirty
27 (30) days or more) lease of commercial trucks used for interstate
28 transportation of goods if the trucks are registered under an international
29 registration plan similar to Ark. Code § 26-14-501, et seq. and administered
30 by another state which offers reciprocal privileges for vehicles registered
31 under Ark. Code § 26-14-501, et seq."

33 SECTION 2. All provisions of this act of a general and permanent nature
34 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
35 Revision Commission shall incorporate the same in the Code.

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

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7 SECTION 4. All laws and parts of laws in conflict with this act are
8 hereby repealed.

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10 SECTION 5. EMERGENCY. It is hereby found and determined by the General
11 Assembly that a commercial vehicle owner operating a truck in interstate
12 commerce could purchase the vehicle and register it under an international
13 registration plan (IRP) in another state and subsequently operate the vehicle
14 in Arkansas without being required to pay Arkansas sales or use tax; that an
15 Arkansas transportation company which leases a vehicle registered under an
16 international registration plan must pay sales tax or the lease payments; that
17 this bill is necessary to clarify that Arkansas sales tax is not due on the
18 lease of IRP registered commercial vehicles operating in Arkansas; and that an
19 immediate effective date is necessary for the fair and efficient
20 administration of taxes. Therefore, an emergency is hereby declared to exist
21 and this act being necessary for the immediate preservation of the public
22 peace, health and safety shall be in full force and effect from and after its
23 passage and approval.

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/s/Bell et al

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APPROVED: 3-1-95

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