

As Engrossed: 2/15/95

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**

A Bill

ACT 587 OF 1995
HOUSE BILL 1533

4 **By: Representatives Simmons and Angel**

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For An Act To Be Entitled

8 "AN ACT TO CLARIFY THE LAW TO PROVIDE THAT UNDERGROUND
9 FARM IRRIGATION PIPE IS EXEMPT FROM THE SALES AND USE TAX
10 TO THE SAME EXTENT AS ABOVEGROUND FARM IRRIGATION PIPE;
11 AND FOR OTHER PURPOSES."

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Subtitle

14 "TO CLARIFY THE LAW TO PROVIDE THAT
15 UNDERGROUND FARM IRRIGATION PIPE IS
16 EXEMPT FROM THE SALES AND USE TAX TO THE
17 SAME EXTENT AS ABOVEGROUND FARM
18 IRRIGATION PIPE."

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

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22 *SECTION 1. Arkansas Code Annotated §26-52-403(b) is amended to read as*
23 *follows:*

24 *"(b) As used in this section, 'farm equipment and machinery' means*
25 *implements used exclusively and directly for the agricultural production of*
26 *food or fiber as a business. Implements used to harvest crops for others*
27 *shall be considered as used in the agricultural production of food or fiber as*
28 *a business for the purposes of this exemption. Irrigation pipe used to carry*
29 *water from the irrigation well to the crop shall be considered 'farm machinery*
30 *or equipment' regardless of whether the pipe is used above ground or is buried*
31 *underground. However, the term 'farm equipment and machinery' shall not*
32 *include implements used in the production and severance of timber or any motor*
33 *vehicle of a type subject to registration, or airplane, or hand tools."*

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35 *SECTION 2. All provisions of this act of a general and permanent nature*
36 *are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code*

0201951022.RRS165

1 Revision Commission shall incorporate the same in the Code.

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

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

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12 SECTION 5. EMERGENCY. It is hereby found and determined by the General
13 Assembly that aboveground farm irrigation pipe is presently exempted from
14 sales taxes but farm irrigation pipe which is to be buried underground is not
15 provided the same exemption; that such different treatment is not the intent
16 of the General Assembly; that this act corrects the inequity; and that this
17 act should go into effect immediately in order to correct the inequity as soon
18 as possible. Therefore, an emergency is hereby declared to exist and this act
19 being necessary for the immediate preservation of the public peace, health and
20 safety shall be in full force and effect from and after its passage and
21 approval.

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24 /s/Rep. Simmons, et al

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26 APPROVED: 3-13-95

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