

1 State of Arkansas  
2 84th General Assembly  
3 Second Extraordinary Session, 2003  
4

Call Item 4

# A Bill

HOUSE BILL 1028

5 By: Representative Bond  
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7

## For An Act To Be Entitled

9 AN ACT TO CLARIFY THE APPLICATION OF SALES TAX TO  
10 THE SALE OF TEXTBOOKS AND OTHER INSTRUCTIONAL  
11 MATERIALS TO ARKANSAS SCHOOL DISTRICTS AND  
12 ARKANSAS PUBLIC SCHOOLS; AND FOR OTHER PURPOSES.  
13

## Subtitle

15 CLARIFIES THE APPLICATION OF SALES TAX  
16 TO THE SALE OF TEXTBOOKS AND  
17 INSTRUCTIONAL MATERIALS TO ARKANSAS  
18 SCHOOL DISTRICTS AND ARKANSAS PUBLIC  
19 SCHOOLS.  
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21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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24 SECTION 1. Title 26, Chapter 52, Subchapter 4 is amended to add a new  
25 section to read as follows:

26 26-52-437. Textbooks and instructional materials for public schools.

27 (a) For purposes of this section, "instructional materials" includes:

28 (1) Traditional books and trade books in printed and bound form;

29 (2) Activity-oriented educational programs that may include  
30 manipulatives;

31 (3) Hand-held calculators or other hands-on educational  
32 material; and

33 (4) Technology-based educational materials that require the use  
34 of electronic equipment in order to be used in the learning process, except  
35 for the equipment required to make use of these materials.

36 (b) Textbooks, library books, and other instructional materials shall



1 be exempt from the Arkansas gross receipts tax levied by the Arkansas Gross  
2 Receipts Act of 1941, § 26-52-101 et seq. if purchased by:

3 (1) An Arkansas school district or Arkansas public school that  
4 receives state funding; or

5 (2) The State of Arkansas for free distribution to Arkansas  
6 school districts or Arkansas public schools.

7  
8 SECTION 2. Arkansas Code § 6-21-411 is repealed.

9 ~~No textbooks, library books, or other items purchased by the state to~~  
10 ~~be distributed free to the public schools of Arkansas pursuant to this~~  
11 ~~subchapter shall be subject to the Arkansas gross receipts tax or the~~  
12 ~~Arkansas compensating tax.~~

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15 APPROVED: 1/7/2004  
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