

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 877 of the Regular Session

As Engrossed: H2/17/05 H3/4/05

A Bill

1 State of Arkansas  
2 85th General Assembly  
3 Regular Session, 2005

HOUSE BILL 1589

4  
5 By: Representative Mahony  
6  
7

8 **For An Act To Be Entitled**

9 AN ACT TO CLARIFY THAT ELECTRICITY PURCHASED FOR  
10 USE IN A CHLOR-ALKALI MANUFACTURING PROCESS IS  
11 EXEMPT FROM SALES AND USE TAX; AND FOR OTHER  
12 PURPOSES.  
13

14 **Subtitle**

15 TO CLARIFY THAT ELECTRICITY PURCHASED  
16 FOR USE IN A CHLOR-ALKALI MANUFACTURING  
17 PROCESS IS EXEMPT FROM SALES AND USE  
18 TAX.  
19  
20

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

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

25 26-52-438. Chlor-alkali manufacturing process.

26 The gross receipts or gross proceeds derived from the sale of  
27 electricity used for the production of chlorine and other chemicals using a  
28 chlor-alkali manufacturing process is exempt from the gross receipts tax  
29 levied by the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.  
30

31 SECTION 2. Legislative intent.

32 (a) The General Assembly finds that Arkansas manufacturers that use  
33 the chlor-alkali manufacturing process are at a disadvantage when compared to  
34 manufacturers in surrounding states where the electricity used in the chlor-  
35 alkali process is exempt.





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