

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 548 of the Regular Session

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007
4

As Engrossed: H2/27/07

A Bill

HOUSE BILL 1828

5 By: Representative Harrelson
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For An Act To Be Entitled

9 AN ACT TO EXEMPT FROM SALES AND USE TAX THE
10 NATURAL GAS AND ELECTRICITY USED IN THE
11 MANUFACTURING OF TIRES; AND FOR OTHER PURPOSES.
12

Subtitle

14 TO EXEMPT FROM SALES AND USE TAX THE
15 NATURAL GAS AND ELECTRICITY USED IN THE
16 MANUFACTURING OF TIRES.
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18

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

23 26-52-441. Natural gas and electricity used in the manufacturing of
24 tires.

25 (a) The gross receipts or gross proceeds derived from the sale of
26 natural gas and electricity used in the manufacturing of tires in this state
27 are exempt from the gross receipts tax levied by the Arkansas Gross Receipts
28 Act of 1941, § 26-52-101 et seq., and the compensating use tax levied by the
29 Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

30 (b) As used in this section:

31 (1) "Manufacturing of tires" means the manufacturing of new
32 motor vehicle tires and does not include the retreading of tires; and

33 (2) "Motor vehicle" means any vehicle required to be licensed
34 for highway use under Arkansas law.

35 (c) The natural gas and electricity subject to the exemption in this



1 section shall be separately metered from the natural gas and electricity used
2 for any other purpose by the manufacturer, or as otherwise established in the
3 rules issued under subsection (d) of this section.

4 (d) The Director of the Department of Finance and Administration shall
5 promulgate rules for the proper administration of this section.

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7 SECTION 2. Effective Date. Section 1 of this act will become
8 effective on January 1, 2008.

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10 /s/ Harrelson

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12 APPROVED: 3/28/2007
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