Stricken language would be deleted from and underlined language would be added to present law. Act 329 of the Regular Session

1	State of Arkansas	
2	95th General Assembly A Bill	
3	Regular Session, 2025SENATE BILL	. 200
4		
5	By: Senator K. Hammer	
6	By: Representative Hawk	
7		
8	For An Act To Be Entitled	
9	AN ACT TO INCLUDE TEXTBOOKS AND OTHER INSTRUCTIONAL	
10	MATERIALS THAT ARE LEASED IN THE EXEMPTION FROM THE	
11	GROSS RECEIPTS TAX; AND FOR OTHER PURPOSES.	
12		
13		
14	Subtitle	
15	TO INCLUDE TEXTBOOKS AND OTHER	
16	INSTRUCTIONAL MATERIALS THAT ARE LEASED	
17	IN THE EXEMPTION FROM THE GROSS RECEIPTS	
18	TAX.	
19		
20	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:	
21		
22	SECTION 1. Arkansas Code § 26-52-437(a)(2), concerning the definiti	on
23	of "instructional materials" as it relates to the exemption of textbooks a	nd
24	other instructional materials from the gross receipts tax, is amended to r	ead
25	as follows:	
26	(2) "Instructional materials" does not include:	
27	(A) Items purchased <u>or leased</u> for use in:	
28	(i) Interscholastic extracurricular activities; o	r
29	(ii) Administration or maintenance of a school; or	
30	(B) Construction materials or supplies.	
31		
32	SECTION 2. Arkansas Code § 26-52-437(b), concerning the conditions	
33	under which textbooks and other instructional materials are exempt from th	е
34	gross receipts tax, is amended to read as follows:	
35	(b) Textbooks, library books, and other instructional materials sha	11
36	be exempt from the gross receipts tax levied by this chapter if purchased	or



1	<u>leased</u> by:
2	(1) An Arkansas <u>public</u> school district or Arkansas public school
3	that receives state funding; or
4	(2) The State of Arkansas for free distribution to Arkansas
5	public school districts or Arkansas public schools.
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8	APPROVED: 3/18/25
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