

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

A Bill

HOUSE BILL 1649

5 By: Representative C. Douglas
6

For An Act To Be Entitled

8 AN ACT TO AMEND THE SALES AND USE TAX EXEMPTION FOR
9 NEW MOTOR VEHICLES PURCHASED BY NONPROFIT
10 ORGANIZATIONS OR WITH URBAN MASS TRANSIT
11 ADMINISTRATION FUNDS; AND FOR OTHER PURPOSES.
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Subtitle

14 TO AMEND THE SALES AND USE TAX EXEMPTION
15 FOR NEW MOTOR VEHICLES PURCHASED BY
16 NONPROFIT ORGANIZATIONS OR WITH URBAN
17 MASS TRANSIT ADMINISTRATION FUNDS.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code § 26-52-420 is amended to read as follows:

24 26-52-420. New motor vehicles purchased by nonprofit organizations or
25 with ~~Urban Mass~~ Federal Transit Administration funds.

26 Gross receipts or gross proceeds derived from the sale of new motor
27 vehicles ~~which~~ that are purchased by nonprofit organizations and used for the
28 performance of contracts with the Department of Human Services or new motor
29 vehicles purchased with ~~Urban Mass~~ Federal Transit Administration funds ~~shall~~
30 be are exempt from the taxes levied under this chapter, the Arkansas
31 Compensating Tax Act of 1949, § 26-53-101 et seq., and all other state and
32 local sales and use taxes, ~~provided that the motor vehicles meet the~~
33 following requirements if the new motor vehicles:

34 (1) ~~The vehicles are purchased in lots of ten (10) vehicles or~~
35 ~~more and therefore are sold at fleet price by the manufacturer;~~

36 (2) ~~The vehicles meet~~ Meet or exceed the state specifications



1 for that class of vehicles as prescribed in the state purchasing law and
2 ~~regulations promulgated thereunder~~ rules; and

3 ~~(3) (2) The vehicles are~~ Are used for transportation under the
4 Department of Human Services' programs for the aging, disabled, mentally ill,
5 and children and family services.

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7 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the
8 first day of the calendar quarter following the effective date of this act.

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11 **APPROVED: 03/27/2017**
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