

Hall of the House of Representatives

87th General Assembly - Regular Session, 2009

Amendment Form

Subtitle of House Bill No. 1966

"TO PROVIDE A CREDIT OR REBATE ON THE LOCAL SALES AND USE TAX PAID ABOVE TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) ON THE PURCHASE OF A TRAILER."

Amendment No. 1 to House Bill No. 1966.

Amend House Bill No. 1966 as originally introduced:

Delete everything after the Enacting Clause and substitute the following:

"SECTION 1. Arkansas Code § 26-52-523(a), (b), and (c), concerning a credit or rebate on local sales and use tax, is amended to read as follows:

(a) As used in this section:

(1) "Qualifying purchase" means a purchase of tangible personal property or a taxable service:

(A) For which the purchaser may take a business expense deduction pursuant to 26 U.S.C. § 162, as in effect on January 1, 2007;

(B) For which the purchaser may take a depreciation deduction pursuant to 26 U.S.C. § 167, as in effect on January 1, 2007;

(C) By an exempt organization under 26 U.S.C. § 501, as in effect on January 1, 2007, if the purchase would be subject to a business expense deduction or depreciation deduction if the purchaser were not an exempt organization under 26 U.S.C. § 501, as in effect on January 1, 2007; or

(D) By a state, or any county, city, municipality, school district, state-supported college or university, or any other political subdivision of a state, if the purchase would be subject to a business expense deduction or depreciation deduction if the purchaser were not one (1) of the entities enumerated in this subdivision (a)(1)(D); ~~and~~

(2) "Single transaction" means any sale of tangible personal property or a taxable service reflected on a single invoice, receipt, or statement for which an aggregate sales or use tax amount has been reported and remitted to the state for a single local taxing jurisdiction; ~~and~~

(3)(A) "Travel trailer" means a trailer that:

(A) Provides temporary living quarters for travel, recreation, or camping;

(B) Includes a chassis having wheels and a trailer hitch or fifth wheel for towing; and

(C) Is required to be licensed for highway use under



Arkansas law.

(b)(1) A purchaser that pays any municipal sales or use tax in excess of the tax due on the first two thousand five hundred dollars (\$2,500) of gross receipts or gross proceeds from the purchase of a travel trailer or from a qualifying purchase of tangible personal property or a taxable service in a single transaction is entitled to a credit or rebate of the excess amount of municipal sales or use tax paid on each single transaction.

(2) A purchaser that pays any county sales or use tax in excess of the tax due on the first two thousand five hundred dollars (\$2,500) of gross receipts or gross proceeds from the purchase of a travel trailer or from a qualifying purchase of tangible personal property or a taxable service in a single transaction is entitled to a credit or rebate of the excess amount of county sales or use tax paid on each single transaction.

(c)(1) A purchaser that is required by § 26-52-501, § 26-52-509, or § 26-53-125 to file a sales or use tax return may file a claim for a credit or rebate under this section with the Director of the Department of Finance and Administration in connection with the sales or use tax return and offset the amount of credit or rebate claimed against any municipal or county sales or use tax due to be remitted with the return.

(2) A purchaser that qualifies for a credit or rebate under this section and is not required to file a sales or use tax return as provided in subdivision (c)(1) of this section may file a claim for a credit or rebate under this section with the director.

(3) If a rebate would be due under this section as a result of the purchase of a travel trailer and if the gross receipts or compensating use tax on the travel trailer is collected directly from the purchaser by the Department of Finance and Administration under § 26-52-510 or § 26-53-126, then the department shall collect only the amount of tax due less the amount to which the purchaser would be entitled under the rebate provisions of this section.

SECTION 2. Effective Date. Section 1 of this act is effective on the first day of the calendar quarter following the effective date of this act."

The Amendment was read _____
By: Representative Cheatham
MMC/MAJ - 03-13-2009 09:25
MMC265

Chief Clerk