

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.

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

# A Bill

HOUSE BILL 1358

4  
5 By: Representative Sumpter  
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## For An Act To Be Entitled

8  
9 AN ACT TO PROVIDE A SALES TAX EXEMPTION FOR THE  
10 PURCHASE OF NEW QUALIFIED HYBRID VEHICLES; AND  
11 FOR OTHER PURPOSES.  
12

## Subtitle

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14 TO PROVIDE A SALES TAX EXEMPTION FOR THE  
15 PURCHASE OF NEW QUALIFIED HYBRID  
16 VEHICLES.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Exemption for new qualified hybrid vehicles.

22 (a) The gross receipts or gross proceeds derived from the sale of a  
23 new qualified hybrid vehicle is exempt from the gross receipts tax levied by  
24 the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., and the  
25 compensating use tax levied by the Arkansas Compensating Tax Act of 1949, §  
26 26-53-101 et seq.

27 (b) As used in this section, "qualified hybrid vehicle" means a new  
28 vehicle that has all of the following characteristics:

29 (1) A hybrid gasoline or hybrid diesel engine;

30 (2) An electric drive train;

31 (3) Regeneration braking;

32 (4) An energy storage device or a battery capable of providing  
33 motion for the vehicle; and

34 (5) A miles-per-gallon rating from the United States  
35 Environmental Protection Agency that is at least twenty-five percent (25%)  
36 higher than the miles-per-gallon rating designated for a comparable vehicle



1 that does not have hybrid characteristics.

2 (c) The Energy Office of the Department of Economic Development shall  
3 coordinate with the Revenue Division of the Department of Finance and  
4 Administration to promulgate rules for the administration of this section.

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6 SECTION 2. Expiration. This act shall expire on June 30, 2011.

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8 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the  
9 General Assembly of the State of Arkansas that there is a critical need to  
10 reduce air pollutants in the State of Arkansas; that certain areas of this  
11 state are out of compliance with clean air quality standards; that vehicles  
12 are available with technological advances that result in less air pollution  
13 and better mileage; and that this act is necessary to minimize the  
14 possibility of noncompliance with the United States Environmental Protection  
15 Agency air quality standards. Therefore, an emergency is declared to exist  
16 and this act being necessary for the preservation of the public peace,  
17 health, and safety shall become effective on July 1, 2007.

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