

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

As Engrossed: H3/8/21

A Bill

HOUSE BILL 1628

5 By: Representatives Hudson, Ennett, Jett
6

For An Act To Be Entitled

8 AN ACT TO AMEND THE TAX TREATMENT OF CERTAIN
9 MANUFACTURING EQUIPMENT FOR SOLAR ENERGY PRODUCTION;
10 TO DEFINE "QUALIFYING SOLAR EQUIPMENT"; TO EXEMPT THE
11 SALE OF QUALIFYING SOLAR EQUIPMENT FROM SALES AND USE
12 TAX; AND FOR OTHER PURPOSES.
13

Subtitle

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16 TO AMEND THE TAX TREATMENT OF CERTAIN
17 MANUFACTURING EQUIPMENT FOR SOLAR ENERGY
18 PRODUCTION; TO DEFINE "QUALIFYING SOLAR
19 EQUIPMENT"; AND TO EXEMPT THE SALE OF
20 QUALIFYING SOLAR EQUIPMENT FROM SALES AND
21 USE TAX.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4, is
27 amended to add an additional section to read as follows:

28 26-52-453. Manufacturing equipment for solar energy production -
29 Definition.

30 (a)(1) As used in this section, "qualifying solar equipment" means
31 equipment that is:

32 (A) Designed to:

33 (1) Capture and store solar energy and convert it to
34 electricity; and

35 (2) Produce up to a maximum peak output of twenty
36 megawatts (20 MW) alternating current of electricity; and



1 (B) Purchased to be used for any purpose by a:

2 (i) Business entity;

3 (ii) Municipality, county, or other political
4 subdivision;

5 (iii) School district, state agency, or public
6 institution of higher education; or

7 (iv) Person or corporation, including without
8 limitation its lessees, trustees, and receivers, who own or operate in this
9 state equipment or facilities for:

10 (a) Producing, generating, transmitting,
11 delivering, or furnishing gas, electricity, steam, or another agent for the
12 production of light, heat, or power to or for the public for compensation; or

13 (b) Diverting, developing, pumping,
14 impounding, distributing, or furnishing water to or for the public for
15 compensation.

16 (2) "Qualifying solar equipment" includes without limitation the
17 solar modules, inverters, wiring, racking and tracking equipment, batteries,
18 and other component parts of the equipment.

19 (b) The gross receipts or gross proceeds derived from the sale of
20 qualifying solar equipment are exempt from the gross receipts tax levied by
21 this chapter and the compensating use tax levied by the Arkansas Compensating
22 Tax Act of 1949, § 26-53-101 et seq.

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24 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the
25 first day of the second calendar month following the effective date of this
26 act.

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28 /s/Hudson