

INTERIM STUDY PROPOSAL 2009-221

State of Arkansas  
87th General Assembly  
First Extraordinary Session, 2010

**A Bill**

Call Item ##  
MMC/CDS  
SENATE BILL

By: Senator Altes

Filed with: Senate Committee on Revenue and Taxation  
pursuant to A.C.A. §10-3-217.

**For An Act To Be Entitled**

AN ACT TO EXEMPT REPAIR OR REPLACEMENT PARTS FOR  
FARM EQUIPMENT AND MACHINERY FROM THE GROSS  
RECEIPTS AND USE TAX; AND FOR OTHER PURPOSES.

**Subtitle**

TO EXEMPT REPAIR OR REPLACEMENT PARTS  
FOR FARM EQUIPMENT AND MACHINERY FROM  
THE GROSS RECEIPTS AND USE TAX.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 26-52-403, pertaining to farm equipment and machinery, is amended to add a new subsection to read as follows:

(d) The gross receipts or gross proceeds derived from the sale of repair parts and replacement parts used to repair farm equipment and machinery are exempt from the gross receipts tax levied by the Arkansas Gross Receipts Tax Act of 1941, § 26-52-101 et seq., and the compensating use tax levied by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

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

Filed Date: 02/05/2010 By: MMC\CDS