

2 State of Arkansas
3 88th General Assembly
4 Regular Session, 2011

As Engrossed: H3/17/11

A Bill

HOUSE BILL 1809

5
6 By: Representative Hyde

7 Filed with: Interim House Committee on Revenue and Taxation
8 pursuant to A.C.A. §10-3-217.

9 For An Act To Be Entitled

10 AN ACT TO CREATE AN EXEMPTION FROM THE SALES AND USE
11 TAX FOR ELECTRIC VEHICLES; AND FOR OTHER PURPOSES.

12 13 14 Subtitle

15 TO CREATE AN EXEMPTION FROM THE SALES AND
16 USE TAX FOR ELECTRIC 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. TEMPORARY LANGUAGE. NOT TO BE CODIFIED.

22 Qualified plug-in electric drive vehicles.

23 (a) As used in this section, "qualified plug-in electric drive
24 vehicle" means a four-wheeled motor vehicle that:

25 (1) Is made by a manufacturer;

26 (2) Is manufactured primarily for use on public streets, roads,
27 and highways;

28 (3) Has not been modified from original manufacturer
29 specifications except for minor cosmetic and equipment changes;

30 (4) Is acquired for use or lease by the taxpayer and not for
31 resale;

32 (5) Is rated at not more than eight thousand five hundred pounds
33 (8,500 lbs.) unloaded gross vehicle weight;

34 (6) Has a maximum speed capability of at least fifty-five miles
35 per hour (55 m.p.h.);

1 (7) Is propelled to a significant extent by an electric motor
2 that draws electricity from a battery that:

3 (A) Has a capacity of not less than four kilowatt hours (4
4 kWh); and

5 (B) Is capable of being recharged from an external source
6 of electricity; and

7 (8) Is acquired by the taxpayer on or before December 31, 2013.

8 (b) Except as otherwise provided in this section, the gross receipts
9 or gross proceeds derived from the sale of a qualified plug-in electric drive
10 vehicle are exempt from the gross receipts tax levied by the Arkansas Gross
11 Receipts Act of 1941, § 26-52-101 et seq., and the compensating use tax
12 levied by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

13 (c) The exemption provided under this section shall:

14 (1) Not exceed five hundred dollars (\$500);

15 (2) Be limited to the acquisition of:

16 (A) One (1) qualified plug-in electric drive vehicle per
17 individual taxpayer; and

18 (B) Ten (10) qualified plug-in electric drive vehicles per
19 business entity; and

20 (3) Not be allowed if:

21 (A) The qualified plug-in electric drive vehicle is not
22 registered in the state; or

23 (B) The owner of the qualified plug-in electric drive
24 vehicle has not conformed to the state or federal laws or regulations that
25 apply to the purchase of a clean-fuel vehicle or an electric vehicle during
26 the calendar year in which the qualified plug-in electric drive vehicle is
27 titled.

28 (d) The exemption provided under this section is allowed on a first-
29 come, first-serve basis, and the total amount of exemptions provided under
30 this section shall not exceed twenty-five thousand dollars (\$25,000).

31 (e) The Director of the Department of Finance and Administration shall
32 promulgate rules to implement this section.

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34 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the
35 first day of the second calendar month following the effective date of this
36 act.

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/s/Hyde

Referred by the Arkansas House of Representatives

Prepared by: JLL/VJF