

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

As Engrossed: H3/23/11

A Bill

HOUSE BILL 2069

5
6 By: Representative L. Cowling

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 CONCERNING SALES AND USE TAX EXEMPTIONS FOR
11 AGRICULTURAL EQUIPMENT, MACHINERY, AND SUPPLIES; AND
12 FOR OTHER PURPOSES.

13 14 15 Subtitle

16 AN ACT CONCERNING SALES AND USE TAX
17 EXEMPTIONS FOR AGRICULTURAL EQUIPMENT,
18 MACHINERY, AND SUPPLIES.

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

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23 *SECTION 1. Arkansas Code § 26-52-403(a)(1)(C), concerning the*
24 *definition of "farm equipment and machinery" for sales and use tax exemption*
25 *purposes, is amended to read as follows:*

26 *(C) However, "farm equipment and machinery" ~~shall~~ does not*
27 *include implements used in the production and severance of timber, motor*
28 *vehicles of a type subject to registration, airplanes, ~~or~~ hand tools, three-*
29 *wheeled all-terrain vehicles, four-wheeled all-terrain vehicles, or six-*
30 *wheeled all-terrain vehicles; and*

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32 *SECTION 2. Arkansas Code § 26-52-408, concerning the sales tax*
33 *exemption for certain bagging, packaging, and tying materials, is amended to*
34 *add an additional subsection to read as follows:*

35 *(c)(1) The gross receipts or gross proceeds derived from the sale of*
36 *the following materials used for baling, packaging, tying, wrapping, storing,*

1 transporting, or sealing cotton or animal feed products are exempt from the
2 gross receipts tax levied by the Arkansas Gross Receipts Act of 1941, § 26-
3 52-101 et seq., and the compensating use tax levied by the Arkansas
4 Compensating Tax Act of 1949, § 26-53-101 et seq.:

- 5 (A) Baling twine or wire;
- 6 (B) Bale wrap;
- 7 (C) Net wrap;
- 8 (D) Plastic silage wrap; and
- 9 (E) Module covers.

10 (2) As used in this subsection, “animal feed products” means
11 hay, straw, grass, fodder, silage, and similar products used for feeding
12 animals.

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14 SECTION 3. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended
15 to add an additional section to read as follows:

16 26-52-444. Fencing materials for livestock.

17 The gross receipts or gross proceeds derived from the sale of fencing
18 materials, including without limitation posts, wire, and chargers, used for
19 containing livestock are exempt from the gross receipts tax levied by the
20 Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., and the
21 compensating use tax levied by the Arkansas Compensating Tax Act of 1949, §
22 26-53-101 et seq.

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24 SECTION 4. EFFECTIVE DATE. Sections 1 through 3 of this act are
25 effective on and after July 1, 2013.

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27 /s/L. Cowling
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33 Referred by the Arkansas House of Representatives
34 Prepared by: MMC/VJF
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