

INTERIM STUDY PROPOSAL 2011-183

REQUESTING THAT THE ARKANSAS LEGISLATIVE COUNCIL OF THE EIGHTY-EIGHTH GENERAL ASSEMBLY REFER TO THE APPROPRIATE INTERIM COMMITTEE A STUDY CONCERNING THE FEASIBILITY OF EXCLUDING FROM THE SALES PRICE ON THE PURCHASE OF A MOTOR VEHICLE THE AMOUNT OF ANY REBATE FROM THE MANUFACTURER OR DEALER.

BE IT RESOLVED BY THE ARKANSAS LEGISLATIVE COUNCIL OF THE EIGHTY-EIGHTH GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

WHEREAS, purchasers of new motor vehicles registered in Arkansas are required to pay sales and use tax on the sales price of the motor vehicle;

WHEREAS, manufacturers and dealers are offering rebates as incentives to encourage people to buy new motor vehicles;

WHEREAS, the rebates are paid by the manufacturer or dealer and not by the purchaser; AND

WHEREAS, the amount of the manufacturer's or dealer's rebate is included in the sales price upon which the purchaser is required to pay sales and use tax.

NOW THEREFORE,

BE IT PROPOSED BY THE LEGISLATIVE COUNCIL OF THE EIGHTY-EIGHTH GENERAL ASSEMBLY:

THAT the appropriate Senate interim committee study the feasibility of excluding from the sales price on the purchase of a motor vehicle the manufacturer's and dealer's rebate.

1 Respectfully submitted,

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5 Senator Kim Hendren

6 District 9

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8 Respectfully submitted,

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12 Representative Jon Woods

13 District 93

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17 By: MMC/MMC

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