1	INTERIM STUDY PROPOSAL 2021-021
2	State of Arkansas As Engrossed: H4/13/21
3	93rd General Assembly A Bill
4	Regular Session, 2021 HOUSE BILL 1818
5	
6	By: Representatives Beaty Jr., Bentley, Christiansen, Gonzales, Lundstrum, McClure, M. McElroy,
7	Milligan, Richmond, Rye, Tollett, Watson
8	By: Senator Gilmore
9	Filed with: House Committee on Revenue and Taxation
10	pursuant to A.C.A. §10-3-217.
11	For An Act To Be Entitled
12	AN ACT TO CREATE A SALES AND USE TAX EXEMPTION FOR
13	PARTS PURCHASED TO REPAIR AGRICULTURAL EQUIPMENT AND
14	MACHINERY AND TIMBER EQUIPMENT AND MACHINERY; AND FOR
15	OTHER PURPOSES.
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18	Subtitle
19	TO CREATE A SALES AND USE TAX EXEMPTION
20	FOR PARTS PURCHASED TO REPAIR
21	AGRICULTURAL EQUIPMENT AND MACHINERY AND
22	TIMBER EQUIPMENT AND MACHINERY.
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25	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27	SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4, is
28	amended to add an additional section to read as follows:
29	26-52-453. Parts to repair agricultural equipment and machinery or
30	timber equipment and machinery.
31	(a) As used in this section:
32	(1) "Agricultural equipment and machinery" means implements used
33	exclusively and directly in a commercial agricultural production in this
34	state; and

1	(2) "Timber equipment and machinery" means implements used
2	exclusively in the commercial production, harvesting, or processing of timber
3	in this state.
4	(b) The gross receipts or gross proceeds derived from the sale of
5	parts purchased to repair, either in whole or in part, existing agricultural
6	equipment and machinery or timber equipment and machinery are exempt from the
7	gross receipts tax levied by this chapter and the compensating use tax levied
8	by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.
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10	SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on and
11	after January 1, 2022.
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13	/s/Beaty Jr.
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16	Referred requested by the Arkansas House of Representatives
17	Prepared by: MBM/KFW
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