

1 INTERIM STUDY PROPOSAL 2007-226

2
3 REQUESTING THE SENATE INTERIM COMMITTEE ON REVENUE AND TAXATION
4 REVIEW THE DEPARTMENT OF FINANCE AND ADMINISTRATION'S PROCEDURE
5 FOR ALLOWING OR DISALLOWING A SALES TAX EXEMPTION ON FARM
6 EQUIPMENT AND MACHINERY UNDER A.C.A. § 26-52-403.

7
8
9 WHEREAS, A.C.A. § 26-52-403 allows a sales tax exemption on the
10 purchase of farm equipment and machinery that is used for farming; and

11
12 WHEREAS, the Department of Finance and Administration is granted the
13 authority to promulgate rules and prescribe forms for claiming the sales tax
14 exemption provided in A.C.A. § 26-52-403; and

15
16 WHEREAS, confusion exists regarding the implementation and procedure
17 under A.C.A. § 26-52-403 for allowing or disallowing a sales tax exemption on
18 certain farm equipment and machinery,

19
20 NOW THEREFORE,

21 BE IT PROPOSED BY THE SENATE INTERIM COMMITTEE ON REVENUE AND TAXATION OF THE
22 EIGHTY-SEVENTH GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23
24 THAT the Senate Interim Committee On Revenue and Taxation study the
25 Department of Finance and Administration's rules and regulations regarding
26 the sales tax exemption on farm equipment and machinery under A.C.A. § 26-52-
27 403 and report its findings to the Senate Revenue and Tax Committee.

28
29 THAT the Senate Interim Committee On Revenue And Taxation study the
30 Department of Finance and Administration's implementation and procedure for
31 allowing or disallowing a sales tax exemption on farm equipment and machinery
32 under A.C.A. § 26-52-403 and report its findings to the Senate Revenue and
33 Tax Committee.

34
35 Respectfully submitted,

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

Senator Jim Hill
District 20

36 Filed Date: 07/29/2008 By: LMG/ksw