

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

INTERIM STUDY PROPOSAL 2009-110

State of Arkansas

As Engrossed: H3/31/09

87th General Assembly

**A Bill**

Regular Session, 2009

HOUSE BILL 2166

By: Representative L. Cowling

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

**For An Act To Be Entitled**

AN ACT TO EXEMPT THE PARTS AND LABOR FOR  
AGRICULTURAL EQUIPMENT FROM SALES AND USE TAX;  
AND FOR OTHER PURPOSES.

**Subtitle**

TO EXEMPT THE PARTS AND LABOR FOR  
AGRICULTURAL EQUIPMENT FROM SALES AND  
USE TAX.

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

*SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended to add an additional section to read as follows:*

*26-52-442. Parts and labor for agricultural equipment.*

*(a) As used in this section, "agricultural" means the production of food or fiber as a business or the production of grass sod or nursery products as a business.*

*(b) The gross receipts or gross proceeds derived from the sale of parts and labor for agricultural equipment is exempt from the gross receipts tax levied by this chapter and the compensating use tax levied by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.*

*SECTION 2. Section 1 of this act is effective on the first day of the calendar quarter following the effective date of this act.*



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*/s/ L. Cowling*

Filed Date: 04/07/2009 By: MMC\VJF