

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 2009-147

State of Arkansas

As Engrossed: S3/3/09

87th General Assembly

A Bill

Regular Session, 2009

SENATE BILL 223

By: Senator Laverty

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

For An Act To Be Entitled

AN ACT TO PROVIDE A SALES AND USE TAX EXEMPTION
FOR MATERIALS USED BY FARMERS TO BALE HAY; AND
FOR OTHER PURPOSES.

Subtitle

TO PROVIDE A SALES AND USE TAX EXEMPTION
FOR MATERIALS USED BY FARMERS TO BALE
HAY.

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

SECTION 1. Arkansas Code § 26-52-408 is amended to read as follows:

26-52-408. Certain bagging, packaging, or tying materials.

(a) Gross receipts and gross proceeds derived from the sale of bagging and other packaging and tie materials sold to and used by cotton gins in Arkansas for packaging or tying baled cotton are exempt from the Arkansas gross receipts tax.

(b) Gross receipts and gross proceeds derived from the sale of twine which is used in the production of tomato crops are exempt from the Arkansas gross receipts tax.

(c) Gross receipts and gross proceeds derived from the sale of twine and other packaging and tie materials sold to and used by a farmer in Arkansas for bailing, packaging, or tying agricultural products are exempt from the gross receipts tax levied by this chapter and the compensating use



1 tax levied by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq..

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

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6 /s/ Lavery
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36 Filed Date: 04/09/2009 By: MMC\VJF