

1 INTERIM STUDY PROPOSAL 2011-183

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3 REQUESTING THAT THE ARKANSAS LEGISLATIVE COUNCIL OF THE EIGHTY-
4 EIGHTH GENERAL ASSEMBLY REFER TO THE APPROPRIATE INTERIM
5 COMMITTEE A STUDY CONCERNING THE FEASIBILITY OF EXCLUDING FROM
6 THE SALES PRICE ON THE PURCHASE OF A MOTOR VEHICLE THE AMOUNT OF
7 ANY REBATE FROM THE MANUFACTURER OR DEALER.
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9 BE IT RESOLVED BY THE ARKANSAS LEGISLATIVE COUNCIL OF THE EIGHTY-EIGHTH
10 GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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12 WHEREAS, purchasers of new motor vehicles registered in Arkansas are
13 required to pay sales and use tax on the sales price of the motor vehicle;
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15 WHEREAS, manufacturers and dealers are offering rebates as incentives
16 to encourage people to buy new motor vehicles;
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18 WHEREAS, the rebates are paid by the manufacturer or dealer and not by
19 the purchaser; AND
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21 WHEREAS, the amount of the manufacturer's or dealer's rebate is
22 included in the sales price upon which the purchaser is required to pay sales
23 and use tax.
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25 NOW THEREFORE,

26 BE IT PROPOSED BY THE LEGISLATIVE COUNCIL OF THE EIGHTY-EIGHTH GENERAL
27 ASSEMBLY:
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29 THAT the appropriate Senate interim committee study the feasibility of
30 excluding from the sales price on the purchase of a motor vehicle the
31 manufacturer's and dealer's rebate.
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Respectfully submitted,

Senator Kim Hendren

District 9

By: MMC/MMC