

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995
4 By: Representative Young

A Bill

HOUSE BILL 1227

For An Act To Be Entitled

8 "AN ACT TO INCREASE THE EXEMPTION FROM SALES AND USE TAX
9 FOR USED MOTOR VEHICLES FROM TWO THOUSAND DOLLARS (\$2,000)
10 TO FIVE THOUSAND DOLLARS (\$5,000); AND FOR OTHER
11 PURPOSES."

Subtitle

14 "AN ACT TO INCREASE THE EXEMPTION FROM
15 SALES AND USE TAX FOR USED MOTOR
16 VEHICLES FROM \$2,000 TO \$5,000."

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

20 SECTION 1. Arkansas Code §26-52-510(b) is amended to read as follows:

21 "(b) When a used motor vehicle, trailer, or semitrailer is taken in
22 trade as a credit or part payment on the sale of a new or used motor vehicle,
23 trailer, or semitrailer, the tax levied by this chapter and all other gross
24 receipts taxes levied by the state shall be paid on the net difference
25 between the total consideration for the new or used vehicle, trailer, or
26 semitrailer sold and the credit for the used vehicle, trailer, or semitrailer
27 taken in trade. However, if the total consideration for the sale of the new
28 or used *motor vehicle, trailer, or semitrailer is less than three thousand*
29 *dollars (\$3,000), no tax shall be due.*"

31 SECTION 2. Arkansas Code §26-53-126(b) is amended to read as follows:

32 "(b) When a used motor vehicle, trailer, or semitrailer is taken in
33 trade as a credit or part payment on the sale of a new or used vehicle,
34 trailer, or semitrailer, the tax levied herein and all other use taxes levied
35 by the state shall be paid on the net difference between the total

1 consideration for the new or used vehicle, trailer, or semitrailer sold and
2 the credit for the used vehicle, trailer, or semitrailer taken in trade.
3 However, if the total consideration for the sale of the new or used motor
4 *vehicle, trailer, or semitrailer is less than three thousand dollars*
5 *(\$3,000), no tax shall be due."*

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7 SECTION 3. All provisions of this act of a general and permanent
8 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
9 Code Revision Commission shall incorporate the same in the Code.

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11 SECTION 4. If any provision of this act or the application thereof to
12 any person or circumstance is held invalid, such invalidity shall not affect
13 other provisions or applications of the act which can be given effect without
14 the invalid provision or application, and to this end the provisions of this
15 act are declared to be severable.

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17 SECTION 5. All laws and parts of laws in conflict with this act are
18 hereby repealed.

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/s/Rep. Young

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