

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995

A Bill

SENATE BILL 105

4 By: Senators Todd and Mahony
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For An Act To Be Entitled

8 "AN ACT TO AMEND THE DEFINITION OF A COMMERCIAL JET
9 AIRCRAFT EXEMPT FROM ARKANSAS SALES AND USE TAXES BY
10 INCREASING THE AIRCRAFT'S MAXIMUM REQUIRED TAKE-OFF WEIGHT
11 FROM TWELVE THOUSAND FIVE HUNDRED POUNDS (12,500 LBS) TO
12 NINETY THOUSAND POUNDS (90,000 LBS); AND FOR OTHER
13 PURPOSES."
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Subtitle

15 "TO AMEND THE DEFINITION OF A
16 COMMERCIAL JET AIRCRAFT EXEMPT FROM
17 SALES AND USE TAXES BY INCREASING THE
18 AIRCRAFT'S MAXIMUM REQUIRED TAKE OFF
19 WEIGHT FROM 12,500 LBS. TO 90,000 LBS."
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code §26-52-301(3)(c)(vi) is amended to read as
25 follows:

26 "(vi) The gross receipts tax levied in this chapter shall not apply to
27 the service of alteration, addition, cleaning, refinishing, replacement, or
28 repair of commercial jet aircraft, commercial jet aircraft components, or
29 commercial jet aircraft subcomponents. Prior to July 1, 1996, the term
30 commercial jet aircraft shall mean any commercial, military, private, or
31 other turbine or turbo jet aircraft having a certified maximum take-off
32 weight of more than twelve thousand five hundred (12,500) pounds. Effective
33 July 1, 1996, the term commercial jet aircraft shall mean any commercial,
34 military, private, or other turbine or turbo jet aircraft having a certified
35 maximum take-off weight of more than ninety thousand (90,000) pounds;"

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2 SECTION 2. Arkansas Code § 26-52-401(28) is amended to read as
3 follows: "*(28) Parts or other tangible personal property incorporated into*
4 *or which become a part of commercial jet aircraft components, or commercial*
5 *jet aircraft subcomponents. Prior to July 1, 1996, the term _commercial jet*
6 *aircraft_ shall mean any commercial, military, private, or other turbine or*
7 *turbo jet aircraft having a certified maximum take-off weight of more than*
8 *twelve thousand five hundred (12,500) pounds. Effective July 1, 1996, the*
9 *term _commercial jet aircraft_ shall mean any commercial, military, private,*
10 *or other turbine or turbo jet aircraft having a certified maximum take-off*
11 *weight of more than ninety thousand (90,000) pounds;"*

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13 SECTION 3. All provisions of this act of general and permanent nature
14 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
15 Revision Commission shall incorporate the same in the Code.

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17 SECTION 4. If any provisions of this act or the application thereof to
18 any person or circumstance is held invalid, the invalidity shall not affect
19 other provisions or applications of the act which can be given effect without
20 the invalid provisions or application, and to this end the provisions of this
21 act are declared to be severable.

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

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26 SECTION 6. Emergency. It is hereby found and determined by the
27 Eightieth General Assembly of the State of Arkansas that, because of the
28 passage of Acts 58 and 61 of the First Extraordinary Session of 1992, the
29 Department of Aeronautics has seen its funds for grants to local airports
30 drop dramatically; that the tax exemptions granted under those acts have not
31 resulted in the creation or retention of any significant numbers of new jobs
32 in the aerospace business sector; that the Department of Aeronautics is in
33 desperate need of new tax revenues in order to provide financial assistance
34 to local airports in Arkansas; that the tax exemptions should be repealed and
35 this act should be effective beginning at the commencement of the fiscal year

1 for State government. Therefore, in order to restore financial assistance to
2 local airports and provide for the orderly administration of tax collections,
3 an emergency is hereby declared to exist, and this act being necessary for
4 the immediate preservation of the public peace, health, and safety, shall be
5 in full force and effect from and after July 1, 1995.

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/s/Todd

As Engrossed: 1/19/95 1/30/95

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