

1 State of Arkansas  
2 80th General Assembly  
3 Regular Session, 1995  
4 By: Senators Bell, *Boozman and Walters*

# A Bill

SENATE BILL 495

## For An Act To Be Entitled

8 "AN ACT TO EXEMPT FROM THE SALES TAX THE GROSS PROCEEDS  
9 DERIVED FROM THE LONG TERM LEASE OF COMMERCIAL TRUCKS USED  
10 FOR INTERSTATE TRANSPORTATION OF GOODS IF THE TRUCKS ARE  
11 REGISTERED UNDER THE INTERNATIONAL REGISTRATION PLAN; AND  
12 FOR OTHER PURPOSES."

## Subtitle

15 "EXEMPT FROM THE SALES TAX THE GROSS  
16 PROCEEDS DERIVED FROM THE LONG TERM  
17 LEASE OF COMMERCIAL TRUCKS USED FOR  
18 INTERSTATE TRANSPORTATION OF GOODS IF  
19 THE TRUCKS ARE REGISTERED UNDER THE  
20 INTERNATIONAL REGISTRATION PLAN."

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

24 SECTION 1. Arkansas Code § 26-52-401 is amended to add a new  
25 subsection to read as follows:

26 "Gross receipts or gross proceeds derived from the long term (thirty  
27 (30) days or more) lease of commercial trucks used for interstate  
28 transportation of goods if the trucks are registered under an international  
29 registration plan similar to Ark. Code § 26-14-501, et seq. and administered  
30 by another state which offers reciprocal privileges for vehicles registered  
31 under Ark. Code § 26-14-501, et seq."

33 SECTION 2. All provisions of this act of a general and permanent  
34 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas  
35 Code Revision Commission shall incorporate the same in the Code.

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SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 5. EMERGENCY. It is hereby found and determined by the General Assembly that a commercial vehicle owner operating a truck in interstate commerce could purchase the vehicle and register it under an international registration plan (IRP) in another state and subsequently operate the vehicle in Arkansas without being required to pay Arkansas sales or use tax; that an Arkansas transportation company which leases a vehicle registered under an international registration plan must pay sales tax or the lease payments; that this bill is necessary to clarify that Arkansas sales tax is not due on the lease of IRP registered commercial vehicles operating in Arkansas; and that an immediate effective date is necessary for the fair and efficient administration of taxes. Therefore, an emergency is hereby declared to exist and this act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.

*/s/Bell et al*

