

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

A Bill

SENATE BILL 531

4 By: Senators Webb, Jeffries and Boozman

5
6

For An Act To Be Entitled

8 "AN ACT TO PROVIDE THAT USED MOTOR VEHICLES, MANUFACTURED
9 HOMES AND MOBILE HOMES SHALL BE EXEMPT FROM THE GROSS
10 RECEIPTS TAX; AND FOR OTHER PURPOSES."

11

Subtitle

13 "TO EXEMPT USED MOTOR VEHICLES,
14 MANUFACTURED HOMES AND MOBILE HOMES FROM
15 THE GROSS RECEIPTS TAX."

16

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

18

19 SECTION 1. Effective July 1, 1998, the gross receipts or gross
20 proceeds derived from the sale of a used motor vehicle, trailer, or
21 semitrailer, are hereafter exempt from the taxes levied under the Arkansas
22 Gross Receipts Tax Act (Arkansas Code §26-52-101 et seq.), the Arkansas
23 Compensating Use Tax Act (Arkansas Code §26-53-101 et seq.), and all other
24 state and local sales and use taxes.

25

26 SECTION 2. Effective July 1, 1998, the gross receipts or gross
27 proceeds derived from the sale of a used manufactured home or mobile home are
28 hereafter exempt from the taxes levied under the Arkansas Gross Receipts Tax
29 Act (Arkansas Code §26-52-101 et seq.), the Arkansas Compensating Use Tax Act
30 (Arkansas Code §26-53-101 et seq.), and all other state and local sales and
31 use taxes.

32

33 SECTION 3. Arkansas Code §26-52-510(b) is amended to read as follows:

34 "(b)(1) When a used motor vehicle, trailer, or semitrailer is taken in
35 trade as a credit or part payment on the sale of a new motor vehicle,

1 trailer, or semitrailer, the tax levied by this chapter and all other gross
2 receipts taxes levied by the state shall be paid on the net difference
3 between the total consideration for the new vehicle, trailer, or semitrailer
4 sold and the credit for the used vehicle, trailer, or semitrailer taken in
5 trade. However, if the total consideration for the sale of the new motor
6 vehicle, trailer, or semitrailer is less than two thousand dollars (\$2,000),
7 no tax shall be due.

8 (2) When a used motor vehicle, trailer, or semitrailer is taken
9 in trade prior to July 1, 1998 as a credit or part payment on the sale of a
10 used motor vehicle, trailer, or semi-trailer, the tax levied by this chapter
11 and all other gross receipts taxes levied by the state shall be paid on the
12 lesser of the net difference between the total consideration for the used
13 vehicle, trailer, or semitrailer sold and the credit for the used vehicle,
14 trailer, or semitrailer taken in trade or the net difference between the
15 total consideration for the new or used vehicle sold and two thousand dollars
16 (\$2,000)."

17

18 SECTION 4. Arkansas Code §26-52-504 is amended to read as follows:

19 "26-52-504. Sale of manufactured homes or mobile homes.

20 (a) Every person selling new or used manufactured homes or mobile
21 homes in this state, whether from an established business, under a licensed
22 dealership, or otherwise, shall obtain and hold a permit as provided by
23 §26-52-202 and shall make a monthly report and remittance to the Director of
24 the Department of Finance and Administration as provided in the Arkansas
25 Gross Receipts Act, §26-52-101 et seq., together with copies of invoices,
26 sales, tickets, or bills of sale reflecting the date of all sales of such
27 manufactured homes or mobile homes, the purchaser's name and address, the
28 make, year, model, serial number, and gross sales price of each manufactured
29 home or mobile home, and the amount of tax collected from the purchaser.

30 (b)(1) When a used manufactured home or mobile home is taken in trade
31 prior to July 1, 1998 as a credit or part payment on the sale of a new or
32 used manufactured home or mobile home, the tax levied by §26-52-101 et seq.,
33 and all other gross receipts taxes levied by the state shall be paid on the
34 lesser of the net difference between the total consideration for the
35 manufactured home or mobile home sold and the credit for the used

1 manufactured home or mobile home taken in trade or the net difference between
2 the total consideration for the new or used manufactured home or mobile home
3 sold and ten thousand dollars (\$10,000).

4 (2) If the total consideration for the sale of a new or used
5 manufactured home as defined by §20-25-102(8) or mobile home is less than ten
6 thousand dollars (\$10,000), then no tax shall be due.

7 (c) Any permittee who fraudulently attempts to evade any provision of
8 this section or of the Arkansas Gross Receipts Act, §26-52-101 et seq., shall
9 be subject to having his permit revoked after notice and hearing as provided
10 by §26-52-208, as amended."

11

12 SECTION 5. All provisions of this act of a general and permanent
13 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
14 Code Revision Commission shall incorporate the same in the Code.

15

16 SECTION 6. If any provision of this act or the application thereof to
17 any person or circumstance is held invalid, such invalidity shall not affect
18 other provisions or applications of the act which can be given effect without
19 the invalid provision or application, and to this end the provisions of this
20 act are declared to be severable.

21

22 SECTION 7. All laws and parts of laws in conflict with this act are
23 hereby repealed.

24

25

26

27

28

29

30

31

32

33

34

35

1

2

3