

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

A Bill

SENATE BILL 565

For An Act To Be Entitled

"AN ACT TO AMEND ARKANSAS CODE § 26-52-103 PERTAINING TO
THE PAYMENT OF GROSS RECEIPTS TAXES ON LONG-TERM MOTOR
VEHICLE LEASES; AND FOR OTHER PURPOSES."

Subtitle

"AN ACT TO AMEND ARKANSAS CODE § 26-52-
103 PERTAINING TO GROSS RECEIPTS TAXES
ON LONG-TERM MOTOR VEHICLE LEASES."

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

SECTION 1. Arkansas Code § 26-52-103(a)(3)(A) is amended to read as follows:

"(3)(A) Sale is declared to mean the transfer of either the title or possession, except in the case of leases or rentals, for a valuable consideration of tangible personal property, regardless of the manner, method, instrumentality, or device by which the transfer is accomplished.

(B) Sale is also declared to include the exchange, barter, lease, or rental of tangible personal property.

(C) (i) In the case of leases or rentals of tangible personal property, the tax shall be paid on the basis of rental or lease payments made to the lessor of such tangible personal property during the term of the lease or rental; however, except for short term rentals and rentals of motor vehicles for less than thirty (30) days provided in § 26-52-310, the tax shall not apply to gross receipts or gross proceeds derived from leases or rentals of tangible personal property upon which either the Arkansas gross receipts tax or compensating tax was paid at the time of purchase of the tangible personal property.

1 (ii) Any person engaged in the business of leasing or
2 renting motor vehicles, other than for short-term rental, may elect to pay
3 the tax when the motor vehicle is registered and lease the vehicles without
4 collecting, reporting and remitting gross receipts tax on the lease or rental
5 payments or elect to collect, report and remit gross receipts tax on the
6 lease or rental payments in lieu of paying tax at the time of registration.

7 (D) Sale shall include also the sale, giving away, exchanging,
8 or other disposition of admissions, dues, or fees to clubs, to places of
9 amusement, recreational, or athletic events, or for the privilege of having
10 access to or the use of amusement, athletic, or entertainment facilities.

11 (E) Sale shall not include the furnishing or rendering of
12 services, except as otherwise provided in this section;"

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

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

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

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