

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

A Bill

SENATE BILL 607

4 By: Senators Webb, Boozman, and Jeffries

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For An Act To Be Entitled

8 "AN ACT TO REDUCE THE SALES TAX ON USED MOTOR VEHICLES; TO
9 REPEAL THE MOTOR VEHICLE TRADE-IN CREDIT; AND FOR OTHER
10 PURPOSES."

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Subtitle

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13 "TO REDUCE THE SALES TAX ON USED MOTOR
14 VEHICLES AND TO REPEAL THE MOTOR VEHICLE
15 TRADE-IN CREDIT."

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

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19 *SECTION 1. Effective July 1, 1996, in lieu of the gross receipts tax*
20 *levied on a used motor vehicle, trailer or semitrailer pursuant to the*
21 *Arkansas Gross Receipts Tax (Arkansas Code § 26-52-101 et seq.) and the*
22 *Arkansas Compensating Use Tax (Arkansas Code § 26-53-101 et seq.) there shall*
23 *be levied an excise tax of two and one-half percent (2 1/2%) upon the gross*
24 *proceeds or gross receipts derived from all such sales.*

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26 *SECTION 2. Effective July 1, 1996, for purposes of computing the*
27 *Arkansas Gross Receipts Tax (Arkansas Code §26-52-101 et seq.) and the*
28 *Arkansas Compensating Use Tax (Arkansas Code §26-53-101 et seq.) there shall*
29 *no longer be a reduction in the total consideration of a new or used motor*
30 *vehicle, trailer or semitrailer for a used motor vehicle, trailer or*
31 *semitrailer taken in trade as a credit or part payment on the sale of the new*
32 *or used motor vehicle, trailer, or semitrailer.*

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34 *SECTION 3. Effective July 1, 1996, Arkansas Code § 26-52-510(b) and*
35 *§26-53-126(b) are repealed.*

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SECTION 4. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 5. 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 6. All laws and parts of laws in conflict with this act are hereby repealed.

/s/Webb

