

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

A Bill

SENATE BILL 798

For An Act To Be Entitled

8 "AN ACT TO PROVIDE THAT THE FIRST TWO THOUSAND DOLLARS
9 (\$2,000) OF THE SALES PRICE ON USED MOTOR VEHICLES SHALL
10 BE EXEMPT FROM THE GROSS RECEIPTS TAX; AND FOR OTHER
11 PURPOSES."

Subtitle

14 "TO EXEMPT THE FIRST \$2,000 OF THE SALES
15 PRICE ON USED MOTOR VEHICLES FROM THE
16 GROSS RECEIPTS TAX."

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

20 SECTION 1. Arkansas Code §26-52-510(b) is amended to read as follows:

21 "(b)(1) When a used motor vehicle, trailer, or semitrailer is taken in
22 trade as a credit or part payment on the sale of a new or used motor vehicle,
23 the tax levied by this chapter and all other gross receipts taxes levied by
24 the state shall be paid on the lesser of the net difference between the total
25 consideration for the new or used vehicle sold and the credit for the used
26 vehicle, trailer, or semitrailer taken in trade, or the net difference
27 between the total consideration for the new or used vehicle sold and two
28 thousand dollars (\$2,000). However, if the total consideration for the sale
29 of the new or used motor vehicle is less than two thousand dollars (\$2,000),
30 no tax shall be due.

31 (2) When a used motor vehicle, trailer, or semitrailer is taken
32 in trade as a credit or part payment on the sale of a new or used trailer or
33 semitrailer, the tax levied by this chapter and all other gross receipts
34 taxes levied by the state shall be paid on the trailer or semitrailer sold
35 and the credit for the used vehicle, trailer, or semitrailer taken in trade.

1 However, if the total consideration for the sale of the new or used trailer
2 or semitrailer is less than two thousand dollars (\$2,000), no tax shall be
3 due."

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5 "SECTION 2. Arkansas Code Annotated §26-53-126(b) is amended to read
6 as follows:

7 "(b)(1) When a used motor vehicle, trailer, or semitrailer is taken in
8 trade as a credit or part payment on the sale of a new or used vehicle, the
9 tax levied herein and all other use taxes levied by the state shall be paid
10 on the lesser of the net difference between the total consideration for the
11 new or used vehicle sold and the credit for the used vehicle, trailer, or
12 semitrailer taken in trade, or the net difference between the total
13 consideration for the new or used vehicle sold and two thousand dollars
14 (\$2,000). However, if the total consideration for the sale of the new or
15 used motor vehicle is less than two thousand dollars (\$2,000), no tax shall be
16 due.

17 (2) When a used motor vehicle, trailer, or semitrailer is taken
18 in trade as a credit or part payment on the sale of a new or used trailer or
19 semitrailer, the tax levied by this chapter and all other gross receipts
20 taxes levied by the state shall be paid on the net difference between the
21 total consideration for the new or used trailer or semitrailer sold and the
22 credit for the used vehicle, trailer, or semitrailer taken in trade.
23 However, if the total consideration for the sale of the new or used trailer
24 or semitrailer is less than two thousand dollars (\$2,000), no tax shall be
25 due."

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27 SECTION 3. All provisions of this act of a general and permanent
28 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
29 Code Revision Commission shall incorporate the same in the Code.

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31 SECTION 4. If any provision of this act or the application thereof to
32 any person or circumstance is held invalid, such invalidity shall not affect
33 other provisions or applications of the act which can be given effect without
34 the invalid provision or application, and to this end the provisions of this
35 act are declared to be severable.

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

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