

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

As Engrossed: S2/24/97

A Bill

SENATE BILL 285

4
5 By: Senators Canada, Hill, and Roebuck

For An Act To Be Entitled

9 "AN ACT TO EXEMPT FROM SALES AND USE TAX CERTAIN CHEMICALS
10 USED DURING THE MANUFACTURING PROCESS; AND FOR OTHER
11 PURPOSES."

Subtitle

14 "EXEMPTS FROM SALES AND USE TAX CERTAIN
15 CHEMICALS USED DURING THE MANUFACTURING
16 PROCESS."

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

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20 SECTION 1. Title 26, Chapter 52 is amended to add a new section to read
21 as follows:

22 'The gross receipts or gross proceeds derived from the sale of chemicals
23 used during manufacturing are exempt from tax if the chemicals are used for
24 one of the following purposes:

25 (a) to etch or chemically mill a metal component of a product;

26 (b) to insulate a product while the product is being heated for
27 strenghtening purposes;

28 (c) to isolate stress fractures in manufactured products as a quality
29 control measure.'

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

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35 SECTION 3. If any provision of this act or the application thereof to
36 any person or circumstance is held invalid, such invalidity shall not affect

1 other provisions or applications of the act which can be given effect without
2 the invalid provision or application, and to this end the provisions of this
3 act are declared to be severable.

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6 hereby repealed.

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/s/Canada et al

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