

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001
4

As Engrossed: H1/26/01

A Bill

HOUSE BILL 1339

5 By: Representative Hausam
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For An Act To Be Entitled

9 AN ACT TO EXEMPT ULTRA-LONG RANGE BUSINESS AIRCRAFT
10 USED FOR INTERNATIONAL TRANSPORTATION OF PEOPLE OR
11 FREIGHT FROM THE GROSS RECEIPTS TAX; AND FOR OTHER
12 PURPOSES.
13

Subtitle

14 TO EXEMPT ULTRA-LONG RANGE BUSINESS
15 AIRCRAFT USED FOR INTERNATIONAL
16 TRANSPORTATION FROM THE GROSS RECEIPTS
17 TAX.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4, is amended
24 to add an additional section to read as follows:

25 26-52-433. Aircraft used in international transportation.

26 (a) Gross receipts or gross proceeds derived from the sale of ultra-
27 long range business aircraft used primarily for the international
28 transportation of people or freight are exempt from the tax levied by the
29 Arkansas Gross Receipts Tax Act of 1941, § 26-52-101, et seq.

30 (b) The term "ultra-long range business aircraft" shall mean any
31 private business jet aircraft having a certified maximum take-off weight of
32 more than seventy thousand (70,000) pounds and a flight range in excess of
33 five thousand (5,000) miles. The term "used primarily for international
34 transportation" means that a majority of the air miles flown by the aircraft
35 are flown outside of the contiguous forty-eight (48) states during the
36 purchaser's original period of ownership not to exceed two (2) years from the

1 date of purchase of the aircraft, based on aircraft flight records.

2 (c) If the purchaser fails to use the aircraft as required in this
3 section during the period of ownership referred to in subsection (b),
4 the tax shall apply to the gross receipts or gross proceeds derived from the
5 sale of the aircraft with interest from date of purchase.

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7 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General
8 Assembly that Arkansas has made substantial investments in world class airport
9 facilities which are suitable as bases for international flight operations of
10 companies with business operations and national or regional headquarters in
11 the state; that increasing the use of Arkansas airports as a base for ultra-
12 long range business aircraft used in international flight operations will
13 increase the operating revenues of Arkansas airports, create new jobs and
14 increase the tax revenues of the local airport facilities, local communities
15 and the State of Arkansas; and that removing the tax on such ultra-long range
16 business aircraft purchased and based in Arkansas will provide an incentive to
17 attract and encourage the growth of international flight operations and
18 regional, national and international business headquarters for the economic
19 betterment of the state. Therefore, an emergency is declared to exist and
20 this act being immediately necessary for the preservation of the public peace,
21 health and safety shall become effective on the date of its approval by the
22 Governor. If the bill is neither approved nor vetoed by the Governor, it
23 shall become effective on the expiration of the period of time during which
24 the Governor may veto the bill. If the bill is vetoed by the Governor and the
25 veto is overridden, it shall become effective on the date the last house
26 overrides the veto.

27 /s/ Hausam

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