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	As Engrossed: H1/24/03 H1/31/03		
2	84th General Assembly	A Bill		
3	Regular Session, 2003		HOUSE BILL 1130	
4				
5	By: Representatives Gillespie, Stovall, Haak, Milligan, Napper			
6	By: Senators Laverty, B. Johnson, Faris			
7				
8				
9	For An Act To Be Entitled			
10	AN ACT TO EXEMPT FROM SALES OR USE TAX CLASS TWO			
11	THROUGH CLASS EIGHT COMMERCIAL TRUCKS AND SEMI-			
12	TRAILERS; TO IMPOSE AN ADDITIONAL REGISTRATION			
13	FEE EQUAL TO TWENTY PERCENT (20%) OF THE EXISTING			
14	FEE; ANI	D FOR OTHER PURPOSES.		
15				
16	Subtitle			
17		PTS COMMERCIAL TRUCKS AND TRAILERS	3	
18	FROM	SALES OR USE TAX; IMPOSES TWENTY		
19	PERCI	ENT (20%) ADDITIONAL REGISTRATION		
20	FEE.			
21				
22				
23	BE IT ENACTED BY THE G	GENERAL ASSEMBLY OF THE STATE OF A	RKANSAS:	
24				
25	SECTION 1. Arkansas Code § 27-14-601(a), concerning fees for			
26	registering and licensing motor vehicles, is amended to add an additional			
27	subdivision to read as follows:			
28	(7) Additional registration fee.			
29	(A) There shall be paid an additional registration fee			
30	equal to twenty percent (20%) of the fee required by § 27-14-601(a)(3) for a			
31	new or used motor vehicle registered as a Class Two, Class Three, Class Four,			
32	Class Five, Class Six, Class Seven, or Class Eight vehicle.			
33	(B) There shall be paid an additional registration fee			
34	equal to twenty percent (20%) of the fee required by § 27-14-601(a)(3)(I) for			
35	all new or used trailers or semi-trailers registered as Class Nine vehicles,			
36	except that no additional fee shall apply to trailers registered under § 27-			

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1
     14-601(a)(3)(I)(i)(a)(1).
 2
                       (C) The additional registration fee shall be paid at the
     time of the vehicle registration and shall be deposited into the State
 3
 4
     Treasury as general revenue.
 5
 6
           SECTION 2. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended
 7
     to add an additional section to read as follows:
           26-52-433. Commercial vehicles.
 8
 9
           (a) The gross receipts or gross proceeds derived from the sale of a
     new or used motor vehicle registered as a Class Two, Class Three, Class Four,
10
11
     Class Five, Class Six, Class Seven, or Class Eight vehicle under § 27-14-
     601(a)(3) is exempt from the Arkansas gross receipts tax levied by the
12
     Arkansas Gross Receipts Act of 1941, §§ 26-52-101 et seg.
13
           (b) Except as provided in <u>subsection</u> (c), the gross receipts or gross
14
15
     proceeds derived from the sale of a new or used trailer or semi-trailer
     registered as a Class Nine vehicle under § 27-14-601(a)(3)(I)(i) is exempt
16
17
     from the Arkansas gross receipts tax levied by the Arkansas Gross Receipts
     Act of 1941, §§ 26-52-101 et seq.
18
19
           (c) (l) The gross receipts derived from the sale of trailers
20
     registered under § 27-14-601(a)(3)(I)(i)(a)(1) shall continue to be subject
21
     to gross receipts tax and shall be paid as provided in § 26-52-510.
22
                 (2) The exemption from gross receipts tax provided in
23
     subsections (a) and (b) shall not apply to the gross receipts derived from
     the lease or rental of new or used motor vehicles, trailers or semi-trailers.
24
25
26
           SECTION 3. Arkansas Code § 26-52-401(33), pertaining to an exemption
27
     from gross receipts tax for truck rentals, is amended to read as follows:
28
                 (33) Gross receipts or gross proceeds derived from the long-term
29
     lease, thirty (30) days or more, of commercial trucks used for interstate
30
     transportation of goods if:
31
                       (i) the The trucks are registered under § 27-14-501 et seq.
32
     or
33
                       (ii) the The trucks are registered under an international
     registration plan similar to § 27-14-501 et seq. and the plan is administered
34
35
     by another state which offers reciprocal privileges for vehicles registered
36
     under § 27-14-501 et seg.;
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T			
2	SECTION 4. EMERGENCY CLAUSE. It is found and determined by the		
3	General Assembly of the State of Arkansas that the payment of sales or use		
4	tax on commercial trucks and semi-trailers constitutes a burden on the		
5	trucking industry; that the payment of sales or use tax on commercial trucks		
6	and semi-trailers places Arkansas trucking companies at a competitive		
7	disadvantage with trucking companies in other states; that many companies		
8	have registered trucks and trailers outside of Arkansas to avoid the payment		
9	of sales or use tax; that without a sales or use tax exemption, Arkansas		
10	trucking companies will relocate to other states; that the relocation of		
11	trucking companies would cause Arkansans to lose their jobs; that it is in		
12	the best interest of the State of Arkansas for trucking companies to continue		
13	to operate in Arkansas and to register trucks and trailers in Arkansas; that		
14	by exempting commercial trucks and semi-trailers from sales tax while		
15	imposing an additional registration fee would result in additional revenues		
16	and allow Arkansans to keep their jobs. Therefore, an emergency is declared		
17	to exist and this act being immediately necessary for the preservation of the		
18	public peace, health, and safety shall become effective on the first day of		
19	the second calendar month following:		
20	(1) The date of its approval by the Governor;		
21	(2) If the bill is neither approved nor vetoed by the Governor,		
22	the expiration of the period of time during which the Governor may veto the		
23	bill; or		
24	(3) If the bill is vetoed by the Governor and the veto is		
25	overridden, the date the last house overrides the veto.		
26			
27	/s/ Gillespie, et al		
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