

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 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: H2/17/05 H3/4/05

A Bill

HOUSE BILL 1589

5 By: Representative Mahony
6
7

For An Act To Be Entitled

9 AN ACT TO CLARIFY THAT ELECTRICITY PURCHASED FOR
10 USE IN A CHLOR-ALKALI MANUFACTURING PROCESS IS
11 EXEMPT FROM SALES AND USE TAX; AND FOR OTHER
12 PURPOSES.
13

Subtitle

14 TO CLARIFY THAT ELECTRICITY PURCHASED
15 FOR USE IN A CHLOR-ALKALI MANUFACTURING
16 PROCESS IS EXEMPT FROM SALES AND USE
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 26-52-438. Chlor-alkali manufacturing process.

26 The gross receipts or gross proceeds derived from the sale of
27 electricity used for the production of chlorine and other chemicals using a
28 chlor-alkali manufacturing process is exempt from the gross receipts tax
29 levied by the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.
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31 SECTION 2. Legislative intent.

32 (a) The General Assembly finds that Arkansas manufacturers that use
33 the chlor-alkali manufacturing process are at a disadvantage when compared to
34 manufacturers in surrounding states where the electricity used in the chlor-
35 alkali process is exempt.

36 (b) The purpose of this act is to provide an exemption to Arkansas



1 manufacturers for electricity used in the chlor-alkali manufacturing process,
2 and place Arkansas chlor-alkali manufacturers on an equal footing with chlor-
3 alkali manufacturers in surrounding states.

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/s/ Mahony