

State of Arkansas
86th General Assembly
Regular Session, 2007

A Bill

HOUSE BILL 1746

By: Representatives J. Johnson, Cash
By: Senator Broadway

For An Act To Be Entitled

AN ACT TO REPEAL ARKANSAS CODE §§ 26-52-318 AND 26-53-147; TO REQUIRE THAT A DECAL BE AFFIXED TO EACH PIECE OF HEAVY EQUIPMENT AS PROOF THE TAX HAS BEEN PAID ON THE HEAVY EQUIPMENT; AND FOR OTHER PURPOSES.

Subtitle

AN ACT TO REPEAL ARKANSAS CODE §§ 26-52-318 AND 26-53-147 REQUIRING DECALS TO BE AFFIXED TO HEAVY EQUIPMENT.

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

SECTION 1. Arkansas Code § 26-52-318 is repealed.

~~26-52-318. Heavy equipment.~~

~~(a) As used in this section, "heavy equipment" means:~~

~~(1) Asphalt pavers;~~

~~(2) Boring machines;~~

~~(3) Bulldozers;~~

~~(4) Cable plows;~~

~~(5) Compaction equipment;~~

~~(6) Concrete pavers;~~

~~(7) Cranes;~~

~~(8) Crawler tractors and loaders;~~

~~(9) Demolition equipment;~~

~~(10) Earth movers;~~



~~(11) Excavators;~~
~~(12) Loader backhoes;~~
~~(13) Motor graders;~~
~~(14) Portable air compressors;~~
~~(15) Rock drills;~~
~~(16) Rough terrain fork lifts;~~
~~(17) Scrapers;~~
~~(18) Skid steer loaders;~~
~~(19) Trenchers;~~
~~(20) Wheel loaders; or~~
~~(21) Any other equipment determined by the Director of the Department of Finance and Administration to be heavy equipment.~~

~~(b) The gross receipts tax levied under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., on the sale of new or used heavy equipment shall be collected, reported, and remitted by the heavy equipment dealer.~~

~~(c) The heavy equipment dealer shall affix a decal to each piece of heavy equipment sold as proof that:~~

- ~~(1) Sales tax has been paid on the heavy equipment; or~~
- ~~(2) The heavy equipment is exempt from sales tax.~~

~~(d) The director shall develop the decals to be affixed to the heavy equipment.~~

~~(e)(1) A heavy equipment dealer who sells used heavy equipment shall remove the old decal from the used heavy equipment before it is resold and a new decal is affixed.~~

~~(2) If the heavy equipment dealer fails to remove the old decal the director shall assess the following penalties:~~

- ~~(A) One hundred dollars (\$100) for the first offense;~~
- ~~(B) Two hundred dollars (\$200) for the second offense; and~~
- ~~(C) Five hundred dollars (\$500) for the third and subsequent offenses.~~

SECTION 2. Arkansas Code § 26-53-147 is repealed.

~~26-53-147. Heavy equipment.~~

~~(a) Every person purchasing heavy equipment as defined in § 26-52-318 for storage or use within this state from a dealer located outside of this state and the person does not pay tax to the out-of-state dealer shall be~~

1 ~~liable for the use tax imposed by this chapter.~~

2 ~~(b) The purchaser shall pay the use tax to the Director of the~~
3 ~~Department of Finance and Administration and receive a decal under § 26-52-~~
4 ~~318 to affix to each piece of heavy equipment purchased.~~

5 ~~(c) If the purchaser pays the use tax to an out-of-state dealer, the~~
6 ~~purchaser shall present proof to the director that the Arkansas use tax has~~
7 ~~been paid and receive a decal from the director to affix to each piece of~~
8 ~~heavy equipment purchased.~~