

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 86th General Assembly  
3 Regular Session, 2007

# A Bill

HOUSE BILL 1828

4  
5 By: Representative Harrelson  
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## For An Act To Be Entitled

8  
9 AN ACT TO EXEMPT FROM SALES AND USE TAX THE  
10 NATURAL GAS AND ELECTRICITY USED IN THE  
11 MANUFACTURING OF TIRES; AND FOR OTHER PURPOSES.  
12

## Subtitle

13  
14 TO EXEMPT FROM SALES AND USE TAX THE  
15 NATURAL GAS AND ELECTRICITY USED IN THE  
16 MANUFACTURING OF TIRES.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4 is amended  
22 to add a new section to read as follows:

23 26-52-441. Natural gas and electricity used in the manufacturing of  
24 tires.

25 (a) The gross receipts or gross proceeds derived from the sale of  
26 natural gas and electricity used in the manufacturing of tires in this state  
27 are exempt from the gross receipts tax levied by the Arkansas Gross Receipts  
28 Act of 1941, § 26-52-101 et seq., and the compensating use tax levied by the  
29 Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

30 (b) As used in this section, "manufacturing of tires" means the  
31 manufacturing of new motor vehicle tires and does not include the retreading  
32 of tires.

33 (c) The natural gas and electricity subject to the exemption in this  
34 section shall be separately metered from the natural gas and electricity used  
35 for any other purpose by the manufacturer, or as otherwise established in the  
36 rules issued under subsection (d) of this section.



1           (d) The Director of the Department of Finance and Administration shall  
2 promulgate rules for the proper administration of this section.

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4           SECTION 2. Effective Date. Section 1 of this act will become  
5 effective on January 1, 2008.

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