1	State of Arkansas	*As Engrossed: H2/27/07*
2	86th General Assembly	A Bill
3	Regular Session, 2007	HOUSE BILL 1828
4		
5	By: Representative Harrelson	

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8   **For An Act To Be Entitled**

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

13   **Subtitle**

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:*

31   *(1) "Manufacturing of tires" means the manufacturing of new*

32 *motor vehicle tires and does not include the retreading of tires; and*

33   *(2) "Motor vehicle" means any vehicle required to be licensed*

34 *for highway use under Arkansas law.*

35   (c) The natural gas and electricity subject to the exemption in this

36 section shall be separately metered from the natural gas and electricity used

1   for any other purpose by the manufacturer, or as otherwise established in the

2   rules issued under subsection (d) of this section.

3   (d)   The Director of the Department of Finance and Administration shall

4   promulgate rules for the proper administration of this section.

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6   SECTION 2.   Effective Date.   Section 1 of this act will become

7   effective on January 1, 2008.

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9   */s/ Harrelson*

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