

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 87th General Assembly
3 Regular Session, 2009

A Bill

HOUSE BILL 1965

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5 By: Representative Carter
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For An Act To Be Entitled

8
9 AN ACT TO EXEMPT AN OPERATOR OF A FARM TRUCK
10 TRACTOR FROM EXCISE TAXATION ON THE SALE OF A
11 DISTILLATE SPECIAL FUEL; AND FOR OTHER PURPOSES.
12

Subtitle

13
14 TO EXEMPT AN OPERATOR OF A FARM TRUCK
15 TRACTOR FROM EXCISE TAXATION ON THE SALE
16 OF A DISTILLATE SPECIAL FUEL.
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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 § 26-56-102(13), concerning the definition of
22 "motor vehicle" as used in the Special Motor Fuels Tax Law, is amended to add
23 a new definition to read as follows:

24 ~~(13)(A) "Motor vehicle" "Motor vehicles"~~ means and includes any
25 automobile, truck, truck-tractor, tractor, bus, vehicle, or other conveyance
26 which is propelled by an internal combustion engine or motor and is licensed
27 or required to be licensed for highway use.

28 (B) "Motor vehicle" does not include a farm truck tractor;
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30 SECTION 2. Arkansas Code § 26-56-102 is amended to add a new
31 definition in the Special Motor Fuels Tax Law to read as follows:

32 (24) "Farm truck tractor" means a motor vehicle that is designed and
33 used primarily for drawing other vehicles transporting property or products
34 that are used or produced in the regular course of the agricultural
35 production of food or fiber as a business;
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1 SECTION 3. Arkansas Code §§ 26-56-201(b)(2), concerning exemptions
 2 from excise taxes on distillate special fuel, is amended to read as follows:

3 (2) Sales to dealers, users, or operators of a farm truck tractor or
 4 off-road consumers for off-road use if and only if the fuel was delivered by
 5 the supplier into storage facilities clearly marked "NOT FOR MOTOR VEHICLE
 6 USE";

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 8 SECTION 4. Arkansas Code § 26-56-204(a) and (b), concerning the
 9 license for using a distillate special fuel, is amended to read as follows:

10 (a)(1)(A)(i) No person shall commence operations as a supplier, user,
 11 or operator of a farm truck tractor or off-road consumer of distillate
 12 special fuel without first procuring a license for that purpose from the
 13 Director of the Department of Finance and Administration.

14 (ii) The license under subdivision (a)(1)(A)(i)
 15 shall be issued on the payment of a fee of twenty-five (\$25.00) and remain in
 16 effect until revoked as provided in this section.

17 (B)(i) Any person holding or applying for a supplier's
 18 license after August 1, 1987, shall make an election to operate either as a
 19 pipeline importer or first receiver. Once having made an election in writing
 20 filed with the director, the election will remain in force until such time as
 21 the supplier makes another written election to change the supplier's status.

22 (ii) The election and any change therein shall take
 23 effect on the first month following filing of the election.

24 (iii) The director may promulgate such forms and
 25 regulations as may be necessary to ensure uniformity with federal usage of
 26 exemption certificates issued for nonhighway diesel purchases.

27 (b)(1) Each application for a license or registration as a supplier,
 28 user, or operator of a farm truck tractor or off-road consumer of distillate
 29 special fuel, and each license or registration, shall have as a condition
 30 that the applicant and holder shall comply with the provisions of this
 31 subchapter.

32 (2)(A) Each annual registration as a user or operator of a farm
 33 truck tractor or off-road consumer shall have as a further condition that the
 34 applicant shall not deliver or permit delivery into the fuel supply tanks of
 35 motor vehicles any distillate special fuel which have been purchased tax-free
 36 by the applicant.

1 (B) A taxable use of distillate special fuel purchased
 2 tax-free by an applicant for an annual registration as a user or operator of
 3 a farm truck tractor or off-road consumer, in addition to the penal
 4 provisions prescribed in this subchapter, at the discretion of the director
 5 shall forfeit the right of the applicant to purchase distillate special fuel
 6 tax-free.

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 8 SECTION 5. Arkansas Code § 26-56-218 is amended to read as follows:
 9 26-56-218. Bulk sales.

10 (a) It shall be unlawful to make tax-free bulk sales of distillate
 11 special fuel to any user, dealer, or operator of a farm truck tractor or off-
 12 road consumer who has not filed with his or her supplier an annual
 13 registration for purchases of tax-free distillate special fuel.

14 (b) However, a sale shall be lawful if:

15 (1) At the time of sale and delivery, the supplier obtains from
 16 the purchaser a fully executed annual registration for purchases of tax-free
 17 distillate special fuel; and

18 (2) The supplier maintains the registration form for a period of
 19 six (6) years.

20 (c) When a user, dealer, or operator of a farm truck tractor or off-
 21 road consumer registration has been revoked and written notice of the
 22 revocation has been received by the supplier from the Director of the
 23 Department of Finance and Administration, it shall be unlawful for the
 24 supplier to make bulk sales or deliveries to the user, dealer, or operator of
 25 a farm truck tractor or off-road consumer of distillate special fuel on which
 26 the tax has not been paid.

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 28 SECTION 6. Effective date. This act is effective on the first day of
 29 the calendar month following the effective date of this act.