

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
4

A Bill

SENATE BILL 442

5 By: Senator J. Key
6 By: Representatives Hopper, Kidd
7

For An Act To Be Entitled

10 AN ACT TO CLARIFY THAT THE SALE OF RAW PRODUCTS
11 AT A FARMERS' MARKET WHERE THE RAW PRODUCTS ARE
12 PRODUCED OR GROWN WITHIN THE STATE ARE EXEMPTED
13 FROM THE GROSS RECEIPTS TAX; AND FOR OTHER
14 PURPOSES.

Subtitle

16 TO CLARIFY THAT THE SALE OF RAW PRODUCTS
17 AT A FARMERS' MARKET WHERE THE RAW
18 PRODUCTS ARE PRODUCED OR GROWN WITHIN
19 THE STATE ARE EXEMPTED FROM THE GROSS
20 RECEIPTS TAX.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code § 26-52-401(18) concerning various exemptions
27 from the gross receipts tax is amended to read as follows:

28 (18)(A) Gross receipts or gross proceeds derived from the sale
29 of:

30 (i) Any cotton or seed cotton or lint cotton or
31 baled cotton, whether compressed or not, or cotton seed in its original
32 condition;

33 (ii) Seed for use in the commercial production of an
34 agricultural product or of seed;

35 (iii) Raw products from the farm, orchard, or
36 garden, when the sale is made by the producer of the raw products directly to



1 the consumer and user, including the sale of raw products from a farm,
2 orchard, or garden that are made by the producer of the raw products and sold
3 at a farmers' market when the raw products are produced or grown within the
4 state;

5 (iv) Livestock, poultry, poultry products, and dairy
6 products of producers owning not more than five (5) cows; and

7 (v) Baby chickens.

8 (B)(i) An exemption granted by this subdivision (18) shall
9 not apply when the articles are sold at or from an established business, even
10 though sold by the producer of the articles.

11 (ii) The exemption shall also not apply unless the
12 articles are produced or grown within the ~~State of Arkansas~~ state.

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14 SECTION 2. Effective Date. Section 1 of this act is effective on the
15 first day of the second calendar month following the effective date of this
16 act.

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