1	State of Arkansas	As Engrossed: H3/8/11 H3/28/1	1
2	88th General Assembly	[°] A Bill	
3	Regular Session, 2011		HOUSE BILL 1553
4			
5	By: Representative Westerma	an	
6			
7		For An Act To Be Entitle	ed
8	AN ACT TO	CREATE AN EXEMPTION FROM SALE	ES AND USE TAX
9	FOR CONSTR	RUCTION MATERIALS PAID FOR WIT	TH PUBLICLY
10	FUNDED BON	NDS AND USED FOR PUBLIC ROAD (CONSTRUCTION
11	PROJECTS;	AND FOR OTHER PURPOSES.	
12			
13			
14		Subtitle	
15	CREA	TE AN EXEMPTION FROM SALES AN	D USE
16	TAX	FOR CONSTRUCTION MATERIALS PA	ID FOR
17	WITH	PUBLICLY FUNDED BONDS AND US	ED FOR
18	PUBL	IC ROAD CONSTRUCTION PROJECTS	•
19			
20			
21	BE IT ENACTED BY THE (GENERAL ASSEMBLY OF THE STATE	OF ARKANSAS:
22			
23	SECTION 1. TEM	PORARY LANGUAGE. NOT TO BE CO	ODIFIED.
24	Construction man	terials for publicly funded re	oad construction projects.
25	(a) As used in	this section:	
26	<u>(1)(A) "1</u>	Eligible construction materia	l" means an item of
27	tangible personal prop	perty used directly as part o	f a public road
28	construction project,	including without limitation	construction materials and
29	consumables that are u	used in a public road construc	ction project that will
30	remain part of the con	mpleted public road construct.	ion project or are consumed
31	in the construction pr	rocess.	
32	<u>(B)</u>	"Eligible construction mate	rial" does not include
33	construction equipment	t and tools, motor vehicle fu	el, and other items of
34	tangible personal prop	perty that may be used for pu	rposes of a public road
35	construction project	that do not remain part of the	e public road construction
36	project or are not con	nsumed during the construction	n process.

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1	(2) "Public entity" means the state or a political subdivision		
2	of the state;		
3	(3)(A) "Public road construction project" means a road		
4	construction project initiated by a public entity and paid for with publicly		
5	funded bonds.		
6	(B) "Public road construction project" includes only the		
7	portion of the road construction project that is paid for with publicly		
8	funded bonds;		
9	(4) "Publicly funded bonds" means bonds paid for with funds or		
10	guarantees from a public entity; and		
11	(5) "Road construction project" means the construction,		
12	restoration, reconstruction, renovation, or repair of a road, highway,		
13	street, bridge, overpass, interchange, or right-of-way.		
14	(b) The gross receipts or gross proceeds derived from the sale of an		
15	eligible construction material are exempt from the gross receipts tax levied		
16	by the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., and the		
17	compensating use tax levied by the Arkansas Compensating Tax Act of 1949, §		
18	<u>26-53-101 et seq.</u>		
19	(c) The Director of the Department of Finance and Administration shall		
20	promulgate rules to implement this section.		
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22	SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective from		
23	July 1, 2012, through June 30, 2014, inclusive.		
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25	/s/Westerman		
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