

1 State of Arkansas  
2 89th General Assembly  
3 Regular Session, 2013  
4

# A Bill

SENATE BILL 11

5 By: Senators G. Stubblefield, Hickey, B. King  
6 By: Representatives Wardlaw, Eubanks, Deffenbaugh, B. Wilkins, Hutchison, Cozart, Gillam  
7

## For An Act To Be Entitled

9 AN ACT TO CREATE AN EXEMPTION FROM THE SALES AND USE  
10 TAX FOR EXPENDABLE SUPPLIES FOR FARM MACHINERY; AND  
11 FOR OTHER PURPOSES.  
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## Subtitle

15 TO CREATE AN EXEMPTION FROM THE SALES AND  
16 USE TAX FOR EXPENDABLE SUPPLIES FOR FARM  
17 MACHINERY.  
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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22 SECTION 1. Arkansas Code § 26-52-408 is amended to read as follows:  
23 26-52-408. Certain bagging, packaging, or tying materials.

24 ~~(a) Gross receipts and gross proceeds derived from the sale of bagging~~  
25 The gross receipts or gross proceeds derived from the sale of the following  
26 are exempt from the gross receipts tax levied by the Arkansas Gross Receipts  
27 Act of 1941, § 26-52-101 et seq., and the compensating use tax levied by the  
28 Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.:

29 (1) Bagging and other packaging and tie materials sold to and  
30 used by cotton gins in Arkansas for packaging or tying baled cotton ~~are~~  
31 ~~exempt from the Arkansas gross receipts tax;~~

32 ~~(b) Gross receipts and gross proceeds derived from the sale of~~  
33 ~~twine which~~ (2) Twine that is used in the production of tomato crops ~~are~~  
34 ~~exempt from the Arkansas gross receipts tax;~~ and

35 (3)(A) Expendable supplies for farm machinery, including without  
36 limitation baling twine, net wrap, silage wrap, and cotton wrap, that are



1 used for baling, packaging, tying, wrapping, or sealing animal feed products.

2 (B) As used in this subdivision (3), "animal feed  
3 products" means hay, straw, grass, fodder, silage, and similar products.

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5 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the  
6 first day of the calendar quarter following the effective date of this act.

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