1   State of Arkansas

2   90th General Assembly

A Bill

3   Regular Session, 2015   HOUSE BILL 1259

4

5   By: Representatives Jett, C. Armstrong, Baine, Baltz, Bennett, Blake, K. Ferguson, Hillman, McElroy, G.

6   McGill, Murdock, Nicks, Ratliff, Richey, Tosh, Wright

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8   **For An Act To Be Entitled**

9   AN ACT TO CREATE A SALES AND USE TAX EXEMPTION FOR

10   PARTS FOR AND REPAIR OF AGRICULTURAL EQUIPMENT AND

11   MACHINERY; AND FOR OTHER PURPOSES.

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14   **Subtitle**

15   TO CREATE A SALES AND USE TAX EXEMPTION

16   FOR PARTS FOR AND REPAIR OF AGRICULTURAL

17   EQUIPMENT AND 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 Title 26, Chapter 52, Subchapter 4, is

23   amended to add an additional section to read as follows:

24   26-52-451. Parts for and repair of agricultural equipment and

25   machinery.

26   The gross receipts or gross proceeds derived from the sale of the

27   following are exempt from the gross receipts tax levied by the Arkansas Gross

28   Receipts Act of 1941, § 26-52-101 et seq., and the compensating use tax

29   levied by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.:

30   (1) Parts purchased to modify, replace, or repair, either in

31   whole or in part, existing agricultural machinery or equipment used in a

32   commercial agricultural production in this state; and

33   (2) Services relating to the initial installation, alteration,

34   addition, cleaning, refinishing, replacement, or repair of agricultural

35   machinery or equipment used in a commercial agricultural production in this

36   state.

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2   SECTION 2.   EFFECTIVE DATE.   Section 1 of this act is effective on the

3   first day of the calendar quarter following the effective date of this act.

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