

1 State of Arkansas  
2 90th General Assembly  
3 Regular Session, 2015  
4  
5 By: Representative Jett

# A Bill

HOUSE BILL 1662

## For An Act To Be Entitled

8 AN ACT CONCERNING SALES AND USE TAX EXEMPTIONS  
9 RELATED TO AIRCRAFT; TO EXEMPT FROM THE SALES AND USE  
10 TAX CERTAIN SERVICES AND PARTS AND OTHER PROPERTY  
11 INCORPORATED INTO COMMERCIAL JET AIRCRAFT OF A  
12 CERTAIN WEIGHT; TO PROVIDE A SALES AND USE TAX  
13 EXEMPTION FOR SALES OF AIRCRAFT UNDER CERTAIN  
14 CIRCUMSTANCES; AND FOR OTHER PURPOSES.

## Subtitle

18 TO EXEMPT FROM THE SALES AND USE TAX  
19 CERTAIN SERVICES AND PARTS AND OTHER  
20 PROPERTY INCORPORATED INTO CERTAIN  
21 COMMERCIAL JET AIRCRAFT; AND TO PROVIDE A  
22 SALES AND USE TAX EXEMPTION FOR SALES OF  
23 AIRCRAFT UNDER CERTAIN CIRCUMSTANCES.

26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

28 SECTION 1. Arkansas Code § 26-52-401(28), concerning exemptions from  
29 the sales and use tax for certain products and services, is amended to read  
30 as follows:

31 (28)(A) Parts or other tangible personal property incorporated  
32 into or ~~which~~ that become a part of commercial jet aircraft components, or  
33 commercial jet aircraft subcomponents, and the services required to  
34 incorporate the parts or other tangible personal property or otherwise make  
35 the parts or other tangible personal property part of a commercial jet  
36 aircraft component or commercial jet aircraft subcomponent.



1 (B) As used in this subdivision (28), “commercial jet  
 2 aircraft” means ~~any~~ a commercial, military, private, or other turbine or  
 3 turbo jet aircraft having a certified maximum take-off weight of ~~more than~~  
 4 twelve thousand five hundred pounds (12,500 lbs.) or more;

5  
 6 SECTION 2. Arkansas Code Title 26, Chapter 52, Subchapter 4, is  
 7 amended to add an additional section to read as follows:

8 26-52-451. Sales of certain aircraft.

9 (a) The gross receipts or gross proceeds derived from the sale of an  
 10 aircraft within the state are exempt from the gross receipts tax levied under  
 11 this chapter and the compensating use tax levied by the Arkansas Compensating  
 12 Tax Act of 1949, § 26-53-101 et seq. if the aircraft is sold to a purchaser  
 13 that:

14 (1) Is a resident of another state; and

15 (2) Will base the aircraft outside of the State of Arkansas.

16 (b) The fact that a purchaser takes possession of an aircraft in this  
 17 state does not prevent the application of the exemption provided in this  
 18 section if the purchaser takes possession of the aircraft for the sole  
 19 purpose of removing the aircraft from the state under its own power.

20  
 21 SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective  
 22 on the first day of the second calendar month following the effective date of  
 23 this act.