

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023
4

A Bill

HOUSE BILL 1194

5 By: Representative L. Johnson
6 By: Senator J. Payton
7

For An Act To Be Entitled

9 AN ACT TO EXEMPT A MANUFACTURER'S REBATE ON A MOTOR
10 VEHICLE FROM SALES AND USE TAX; TO EXCLUDE A
11 MANUFACTURER'S REBATE ON A MOTOR VEHICLE FROM THE
12 DEFINITION OF "SALES PRICE" USED FOR PURPOSES OF
13 DETERMINING SALES AND USE TAXES; AND FOR OTHER
14 PURPOSES.
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Subtitle

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18 TO EXEMPT A MANUFACTURER'S REBATE ON A
19 MOTOR VEHICLE FROM SALES AND USE TAX; AND
20 TO EXCLUDE A MANUFACTURER'S REBATE ON A
21 MOTOR VEHICLE FROM THE DEFINITION OF
22 "SALES PRICE" USED FOR PURPOSES OF
23 DETERMINING SALES AND USE TAXES.
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26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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28 SECTION 1. Arkansas Code § 26-52-103(19)(B), concerning the exceptions
29 to the definition of "gross receipts", "gross proceeds", or "sales price"
30 under the Arkansas Gross Receipts Act of 1941, is amended to read as follows:

31 (B) "Gross receipts", "gross proceeds", or "sales price"
32 does not include:

33 (i) A discount including cash, term, or a coupon
34 that is not reimbursed by a third party and that is allowed by a seller and
35 taken by a purchaser on a sale;

36 (ii) An interest, financing, or carrying charge from



1 credit extended on the sale of tangible personal property, specified digital
 2 products, a digital code, or services if the amount is separately stated on
 3 the invoice, bill of sale, or similar document given to the purchaser; ~~and~~

4 (iii) A tax legally imposed directly on the consumer
 5 that is separately stated on the invoice, bill of sale, or similar document
 6 given to the purchaser; and

7 (iv) A manufacturer's rebate on a motor vehicle;
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9 SECTION 2. Arkansas Code § 26-53-102(19)(B), concerning the exceptions
 10 to the definition of "sales price" or "purchase price" under the Arkansas
 11 Compensating Tax Act of 1949, is amended to read as follows:

12 (B) "Sales price" or "purchase price" does not include:

13 (i) A discount, including cash, term, or a coupon
 14 that is not reimbursed by a third party and that is allowed by a seller and
 15 taken by a purchaser on a sale;

16 (ii) Interest, financing, and carrying charges from
 17 credit extended on the sale of tangible personal property, specified digital
 18 products, a digital code, or services if the amount is separately stated on
 19 the invoice, bill of sale, or similar document given to the purchaser; ~~and~~

20 (iii) Any tax legally imposed directly on the
 21 consumer that is separately stated on the invoice, bill of sale, or similar
 22 document given to the purchaser; and

23 (iv) A manufacturer's rebate on a motor vehicle;
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25 SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective
 26 on the first day of the calendar quarter following the effective date of this
 27 act.
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