1	State of Arkansas	A D'11	
2	94th General Assembly	A Bill	
3	Regular Session, 2023		SENATE BILL 252
4			
5	By: Senator Crowell		
6	By: Representative D. Hodges		
7			
8	For	An Act To Be Entitled	
9	AN ACT TO AMEND THE ARKANSAS COMPENSATING TAX ACT OF		
10	1949; TO AMEND THE DEFINITIONS OF "MANUFACTURING" AND		
11	"PROCESSING" FOR PURPOSES OF THE USE-TAX EXEMPTION		
12	FOR MACHINERY AND EQUIPMENT USED TO RETREAD TIRES TO		
13	MATCH THEIR DEFINI	TIONS FOR PURPOSES OF THE	SALES-TAX
14	EXEMPTION; AND FOR	OTHER PURPOSES.	
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16			
17		Subtitle	
18	TO AMEND THE	DEFINITIONS OF	
19	"MANUFACTURIN	NG" AND "PROCESSING" FOR	
20	PURPOSES OF THE USE-TAX EXEMPTION FOR		
21	MACHINERY AND EQUIPMENT USED TO RETREAD		
22	TIRES TO MATO	CH THEIR DEFINITIONS FOR	
23	PURPOSES OF T	THE SALES-TAX EXEMPTION.	
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26	BE IT ENACTED BY THE GENERAL A	SSEMBLY OF THE STATE OF A	RKANSAS:
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28	SECTION 1. Arkansas Cod	le § 26-53-114(b), concerns	ing the definitions of
29	"manufacturing" and "processin	g" for purposes of the use	e tax exemption for
30	manufacturing machinery and equipment, is amended as follows:		
31	(b) As used in this sec	ction, "manufacturing" or '	"processing" refers to
32	and includes those operations	commonly understood within	n their ordinary
33	meaning and shall also include:		
34	(1) Mining;		
35	(2) Quarrying;		
36	<pre>(3) Refining;</pre>		



1	(4) Extracting oil and gas;		
2	(5) Cotton ginning;		
3	(6) Drying of rice, soybeans, and other grains;		
4	(7) Manufacturing of feed;		
5	(8) Processing of poultry and eggs and the hatching of poultry;		
6	(9) Printing of all kinds, types, and characters, including the		
7	services of overprinting and photographic processing incidental to printing;		
8	(10) Processing of scrap metal into grades and bales for further		
9	processing into steel and other metals;		
10	(11) Rebuilding or remanufacturing of used parts and retreading		
11	of tires for automobiles, trucks, and other mobile equipment powered by		
12	electrical or internal combustion engines or motors if the rebuilt or		
13	remanufactured parts or retreaded tires are not sold directly to the consumer		
14	but are sold for resale; and		
15	(12) Retreading of tires for automobiles, trucks, and other		
16	mobile equipment powered by electrical or internal combustion engines or		
17	motors; and		
18	(13) Producing of protective coatings which increase the quality		
19	and durability of a finished product.		
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21	SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the		
22	first day of the second calendar month following the effective date of this		
23	act.		
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