

State of Arkansas
91st General Assembly
Regular Session, 2017

A Bill

HOUSE BILL 1649

By: Representative C. Douglas

For An Act To Be Entitled

AN ACT TO AMEND THE SALES AND USE TAX EXEMPTION FOR
NEW MOTOR VEHICLES PURCHASED BY NONPROFIT
ORGANIZATIONS OR WITH URBAN MASS TRANSIT
ADMINISTRATION FUNDS; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE SALES AND USE TAX EXEMPTION
FOR NEW MOTOR VEHICLES PURCHASED BY
NONPROFIT ORGANIZATIONS OR WITH URBAN
MASS TRANSIT ADMINISTRATION FUNDS.

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

SECTION 1. Arkansas Code § 26-52-420 is amended to read as follows:

26-52-420. New motor vehicles purchased by nonprofit organizations or with ~~Urban Mass~~ Federal Transit Administration funds.

Gross receipts or gross proceeds derived from the sale of new motor vehicles ~~which~~ that are purchased by nonprofit organizations and used for the performance of contracts with the Department of Human Services or new motor vehicles purchased with ~~Urban Mass~~ Federal Transit Administration funds ~~shall~~ be are exempt from the taxes levied under this chapter, the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq., and all other state and local sales and use taxes, ~~provided that the motor vehicles meet the following requirements if the new motor vehicles:~~

(1) ~~The vehicles are purchased in lots of ten (10) vehicles or more and therefore are sold at fleet price by the manufacturer;~~

(2) ~~The vehicles meet~~ Meet or exceed the state specifications



for that class of vehicles as prescribed in the state purchasing law and ~~regulations promulgated thereunder~~ rules; and

~~(3)~~ (2) ~~The vehicles are~~ Are used for transportation under the Department of Human Services' programs for the aging, disabled, mentally ill, and children and family services.

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

APPROVED: 03/27/2017