

State of Arkansas
92nd General Assembly
Regular Session, 2019

A Bill

SENATE BILL 582

By: Senator B. Johnson
By: Representative Richmond

For An Act To Be Entitled

AN ACT TO PROVIDE A SALES AND USE TAX REFUND FOR MACHINERY AND EQUIPMENT USED TO MODIFY, REPLACE, OR REPAIR MOLDS AND DIES USED IN MANUFACTURING; AND FOR OTHER PURPOSES.

Subtitle

TO PROVIDE A SALES AND USE TAX REFUND FOR MACHINERY AND EQUIPMENT USED TO MODIFY, REPLACE, OR REPAIR MOLDS AND DIES USED IN MANUFACTURING.

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

SECTION 1. Arkansas Code § 26-52-447(a), concerning the sales tax refund related to the partial replacement and repair of certain machinery and equipment, is amended to read as follows:

(a) The taxes levied under §§ 26-52-301 and 26-52-302 on the gross receipts or gross proceeds from the sale of the following are subject to a refund as provided in this section:

(1) Machinery and equipment purchased to modify, replace, or repair, either in whole or in part, existing machinery or equipment used directly in producing, manufacturing, fabricating, assembling, processing, finishing, or packaging articles of commerce at a manufacturing or processing plant or facility in this state; ~~and~~

(2) Service relating to the initial installation, alteration, addition, cleaning, refinishing, replacement, or repair of machinery or



equipment described in subdivision (a)(1) of this section; and

(3) Machinery and equipment purchased to modify, replace, or repair, either in whole or in part, existing molds and dies used directly in producing, manufacturing, fabricating, assembling, processing, finishing, or packaging articles of commerce at a manufacturing or processing plant or facility in this state.

SECTION 2. Arkansas Code § 26-53-149(a), concerning the use tax refund related to the partial replacement and repair of certain machinery and equipment, is amended to read as follows:

(a) The taxes levied under §§ 26-53-106 and 26-53-107 on the privilege of storing, using, distributing, or consuming the following within this state are subject to a refund as provided in this section:

(1) Machinery and equipment purchased to modify, replace, or repair, either in whole or in part, existing machinery or equipment used directly in producing, manufacturing, fabricating, assembling, processing, finishing, or packaging articles of commerce at a manufacturing or processing plant or facility in this state; ~~and~~

(2) Service relating to the initial installation, alteration, addition, cleaning, refinishing, replacement, or repair of machinery or equipment described in subdivision (a)(1) of this section; and

(3) Machinery and equipment purchased to modify, replace, or repair, either in whole or in part, existing molds and dies used directly in producing, manufacturing, fabricating, assembling, processing, finishing, or packaging articles of commerce at a manufacturing or processing plant or facility in this state.

SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective on the first day of the calendar quarter following the effective date of this act.

APPROVED: 4/8/19