

State of Arkansas
93rd General Assembly
Regular Session, 2021

A Bill

HOUSE BILL 1026

By: Representatives Cavanaugh, Barker, M. Davis, M. Gray, Vaught

By: Senator B. Johnson

For An Act To Be Entitled

AN ACT TO CLARIFY THE SALES AND USE TAX EXEMPTION FOR FIRE PROTECTION EQUIPMENT AND EMERGENCY EQUIPMENT FOR A VOLUNTEER FIRE DEPARTMENT; TO CLARIFY THAT CERTAIN APPEARANCE FEES ARE NOT CONSIDERED COMPENSATION FOR THE PURPOSE OF DETERMINING WHETHER A FIRE DEPARTMENT IS ELIGIBLE FOR THE SALES AND USE TAX EXEMPTION FOR FIRE PROTECTION EQUIPMENT AND EMERGENCY EQUIPMENT FOR A VOLUNTEER FIRE DEPARTMENT; AND FOR OTHER PURPOSES.

Subtitle

TO CLARIFY THAT CERTAIN APPEARANCE FEES ARE NOT COMPENSATION FOR THE PURPOSE OF DETERMINING ELIGIBILITY FOR THE SALES AND USE TAX EXEMPTION FOR FIRE PROTECTION EQUIPMENT AND EMERGENCY EQUIPMENT.

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

SECTION 1. Arkansas Code § 26-52-434, concerning the sales tax exemption for fire protection equipment and emergency equipment, is amended to add an additional subsection to read as follows:

(c)(1) The receipt of an appearance fee of fifty dollars (\$50.00) or less by a volunteer fire fighter is not compensation for purposes of determining whether a fire department is a volunteer fire department under this section.

(2) As used in this subsection, "appearance fee" means moneys



received by a volunteer fire fighter for training, practice, or the reimbursement of expenses associated with responding to a fire.

SECTION 2. Arkansas Code § 26-53-142, concerning the use tax exemption for fire protection equipment and emergency equipment, is amended to add an additional subsection to read as follows:

(c)(1) The receipt of an appearance fee of fifty dollars (\$50.00) or less by a volunteer fire fighter is not compensation for purposes of determining whether a fire department is a volunteer fire department under this section.

(2) As used in this subsection, "appearance fee" means moneys received by a volunteer fire fighter for training, practice, or the reimbursement of expenses associated with responding to a fire.

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: 2/10/21