

State of Arkansas  
95th General Assembly  
Regular Session, 2025

# A Bill

SENATE BILL 200

By: Senator K. Hammer  
By: Representative Hawk

## For An Act To Be Entitled

AN ACT TO INCLUDE TEXTBOOKS AND OTHER INSTRUCTIONAL MATERIALS THAT ARE LEASED IN THE EXEMPTION FROM THE GROSS RECEIPTS TAX; AND FOR OTHER PURPOSES.

## Subtitle

TO INCLUDE TEXTBOOKS AND OTHER INSTRUCTIONAL MATERIALS THAT ARE LEASED IN THE EXEMPTION FROM THE GROSS RECEIPTS TAX.

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

SECTION 1. Arkansas Code § 26-52-437(a)(2), concerning the definition of "instructional materials" as it relates to the exemption of textbooks and other instructional materials from the gross receipts tax, is amended to read as follows:

- (2) "Instructional materials" does not include:
  - (A) Items purchased or leased for use in:
    - (i) Interscholastic extracurricular activities; or
    - (ii) Administration or maintenance of a school; or
  - (B) Construction materials or supplies.

SECTION 2. Arkansas Code § 26-52-437(b), concerning the conditions under which textbooks and other instructional materials are exempt from the gross receipts tax, is amended to read as follows:

(b) Textbooks, library books, and other instructional materials shall be exempt from the gross receipts tax levied by this chapter if purchased or



leased by:

(1) An Arkansas public school district or Arkansas public school that receives state funding; or

(2) The State of Arkansas for free distribution to Arkansas public school districts or Arkansas public schools.

**APPROVED: 3/18/25**