

**SENATE AMENDMENT 1 TO sb285.**

deleting lines 9 through 11 on page 1 and substituting therefor the following:

"AN ACT TO EXEMPT FROM SALES AND USE TAX CERTAIN CHEMICALS USED DURING THE MANUFACTURING PROCESS; AND FOR OTHER PURPOSES."

AND

by deleting lines 14 through 17 on page 1 and substituting therefor the following:

"EXEMPTS FROM SALES AND USE TAX CERTAIN CHEMICALS USED DURING THE MANUFACTURING PROCESS."

AND

by deleting lines 21 through 35 on page 1 and substituting therefor the following:

"SECTION 1. Title 26, Chapter 52 is amended to add a new section to read as follows:

`The gross receipts or gross proceeds derived from the sale of chemicals used during manufacturing are exempt from tax if the chemicals are used for one of the following purposes:

- (a) to etch or chemically mill a metal component of a product;
- (b) to insulate a product while the product is being heated for strengthening purposes;
- (c) to isolate stress fractures in manufactured products as a quality control measure.'"