

## SENATE AMENDMENT 2 TO sb496.

deleting Section 3 and replacing it with the following:

"SECTION 3. Title 26, Chapter 52, is amended to add a new section to read as follows:

26-52-313. Long-term rental vehicle tax.

(a) There is levied a tax to be known as the long-term rental vehicle tax . The long-term rental vehicle tax shall be levied at the rate of one and one-half percent (1.5%) on the gross receipts or gross proceeds derived from rentals of licensed motor vehicles leased for a period of thirty (30) days or more. The gross receipts or gross proceeds derived from the rentals shall be taxable only if the Arkansas gross receipts tax, § 26-52-101 et seq., or compensating tax, § 26-53-101 et seq., was not paid at the time of registration.

(b) The tax shall be collected, reported, and paid in the same manner and at the same time as is prescribed by law for the collection, reporting, and payment of the tax imposed by the Arkansas gross receipts tax, § 26-52-101 et seq. If the Chief Fiscal Officer certifies that ten percent (10%) or more of all new motor vehicles registered in Arkansas during a calendar year are leased vehicles based on information and statistics from a reliable source, such as R.L. Polk & Co., then the long-term rental vehicle tax shall expire on June 30 of the fiscal year following the calendar year for which such certification is made.

(c) The rental vehicle tax shall be remitted to the Director of the Department of Finance and Administration and shall be deposited in the State Treasury as general revenues.

(d) Nothing in this section shall apply to the lease or rental of diesel trucks rented or leased for commercial shipping or farm machinery or farm equipment rented or leased for a commercial purpose.

(e) The long-term rental vehicle tax shall not apply to gasoline or diesel powered trucks rented or leased for residential moving or shipping. "