

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas  
89th General Assembly  
Regular Session, 2013

# A Bill

HOUSE BILL 1003

By: Representatives Lenderman, Copenhaver, Jett, Ratliff, W. Wagner, B. Wilkins, Wren

## For An Act To Be Entitled

AN ACT TO CREATE A SALES AND USE TAX EXEMPTION FOR  
BALE WRAP USED FOR COTTON; AND FOR OTHER PURPOSES.

### Subtitle

TO CREATE A SALES AND USE TAX EXEMPTION  
FOR BALE WRAP USED FOR COTTON.

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

SECTION 1. Arkansas Code § 26-52-408 is amended to read as follows:  
26-52-408. Certain bagging, packaging, or tying materials.

~~(a) Gross receipts and gross proceeds derived from the sale of bagging~~  
The gross receipts or gross proceeds derived from the sale of the  
following are exempt from the gross receipts tax levied by the Arkansas Gross  
Receipts Act of 1941, § 26-52-101 et seq., and the compensating use tax  
levied by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.:

(1) Bagging and other packaging and tie materials sold to and  
used by cotton gins in Arkansas for packaging or tying baled cotton ~~are~~  
~~exempt from the Arkansas gross receipts tax;~~

~~(b) Gross receipts and gross proceeds derived from the sale of twine~~  
~~which~~ (2) Twine that is used in the production of tomato crops ~~are exempt~~  
~~from the Arkansas gross receipts tax;~~ and

(3) Bale wrap used for baling, packaging, wrapping, storing, or  
transporting cotton from the field from which it is produced to a cotton yard  
or a cotton gin.

SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the



first day of the calendar quarter following the effective date of this act.