

State of Arkansas
91st General Assembly
Regular Session, 2017

A Bill

HOUSE BILL 1263

By: Representative Jett

For An Act To Be Entitled

AN ACT TO CREATE A SALES AND USE TAX EXEMPTION FOR PARTS FOR AND REPAIR OF AGRICULTURAL EQUIPMENT AND MACHINERY; AND FOR OTHER PURPOSES.

Subtitle

TO CREATE A SALES AND USE TAX EXEMPTION FOR PARTS FOR AND REPAIR OF AGRICULTURAL EQUIPMENT AND MACHINERY.

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

SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4, is amended to add an additional section to read as follows:

26-52-452. Parts for and repair of agricultural equipment and machinery.

The gross receipts or gross proceeds derived from the sale of the following are exempt from the gross receipts tax levied by this chapter and the compensating use tax levied by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.:

(1) Parts purchased to modify, replace, or repair, either in whole or in part, existing agricultural machinery or equipment, including without limitation aviation machinery and equipment, used in a commercial agricultural production in this state; and

(2) Services relating to the initial installation, alteration, addition, cleaning, refinishing, replacement, or repair of agricultural machinery or equipment, including without limitation aviation machinery and equipment, used in a commercial agricultural production in this state.



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.