

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

State of Arkansas      *As Engrossed: H1/26/21 H1/28/21 H2/3/21*  
93rd General Assembly      **A Bill**  
Regular Session, 2021

HOUSE BILL 1160

By: Representatives Payton, Cavanaugh, Beck, Bentley, S. Berry, Boyd, Bragg, Breaux, Brown, Bryant, Carr, Christiansen, Cloud, Coleman, C. Cooper, Cozart, Crawford, Dalby, Deffenbaugh, Dotson, Eaves, Eubanks, Evans, C. Fite, L. Fite, Furman, Gazaway, Gonzales, M. Gray, Haak, Hawks, Hillman, Holcomb, Hollowell, Jean, Jett, L. Johnson, Ladyman, Lowery, Lundstrum, Lynch, Maddox, J. Mayberry, McClure, M. McElroy, McGrew, McKenzie, McNair, S. Meeks, Miller, Milligan, Penzo, Pilkington, Ray, Richmond, Rye, Slape, B. Smith, S. Smith, Speaks, Tosh, Underwood, Vaught, Wardlaw, Warren, Watson, Wing, Womack, Wooten, Fortner  
By: Senators Rapert, B. Ballinger, Beckham, Bledsoe, A. Clark, K. Hammer, Irvin, B. Johnson, Rice, G. Stubblefield, D. Sullivan, D. Wallace

### For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE EXEMPTION FROM THE SALES AND USE TAX DUE ON CERTAIN MOTOR VEHICLES, TRAILERS, AND SEMITRAILERS; TO INCREASE THE SALES AND USE TAX EXEMPTION FOR A USED MOTOR VEHICLE; AND FOR OTHER PURPOSES.

### Subtitle

TO INCREASE THE SALES AND USE TAX  
EXEMPTION FOR A USED MOTOR VEHICLE.

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

SECTION 1. Arkansas Code § 26-52-510(b)(1)(B), concerning the direct payment of sales tax by a consumer-user on a new or used motor vehicle, trailer, or semitrailer, is amended to read as follows:

(B) However, tax is not due if the total consideration ~~for~~ is less than the following amounts:

(i) For the sale of ~~the a~~ new ~~or used~~ motor vehicle, or a new or used-trailer, or semitrailer, ~~is less than~~ four thousand dollars



~~(\$4,000), no tax shall be due;~~

(ii) For the sale of a used motor vehicle, seven thousand five hundred dollars (\$7,500); and

(iii) For the sale of a used motor vehicle on or after two (2) years from the effective date of this act, ten thousand dollars (\$10,000).

SECTION 2. Arkansas Code § 26-53-126(b)(2), concerning the payment of use tax on a new or used motor vehicle, trailer, or semitrailer, is amended to read as follows:

(2) However, tax is not due if the total consideration ~~for~~ is less than the following amounts:

(A) For the sale of ~~the a~~ new ~~or used~~ motor vehicle, or a new or used-trailer, or semitrailer, ~~is less than~~ four thousand dollars (\$4,000), ~~no tax shall be due;~~

(B) For the sale of a used motor vehicle, seven thousand five hundred dollars (\$7,500); and

(C) For the sale of a used motor vehicle on or after two (2) years from the effective date of this act, ten thousand dollars (\$10,000).

SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective on the first day of the second calendar month following the effective date of this act.

/s/Payton