

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

State of Arkansas
94th General Assembly
Regular Session, 2023

A Bill

HOUSE BILL 1190

By: Representative Beck

For An Act To Be Entitled

AN ACT TO AMEND ARKANSAS SALES AND USE TAXATION; TO PROVIDE SALES AND USE TAX EXEMPTION FOR CERTAIN UTILITIES USED BY A SWINE FARM; AND FOR OTHER PURPOSES.

Subtitle

TO PROVIDE A SALES AND USE TAX EXEMPTION FOR CERTAIN UTILITIES USED BY A SWINE FARM.

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

SECTION 1. Arkansas Code § 26-52-453 is amended to read as follows:
26-52-453. Water used in poultry and swine farming.

(a) As used in this section:

(1) "~~poultry~~ Poultry farm" means a facility used for the commercial production of poultry, including without limitation a broiler or turkey grow-out house, laying house, hatching unit, nursery unit, and breeding house; and

(2) "Swine farm" means a facility used for the commercial production of swine.

(b)(1) The gross receipts or gross proceeds derived from the sale of water that is used exclusively in the operation of a poultry farm or a swine farm 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.

(2) Water sold for any purpose other than the purpose stated in



subdivision (b)(1) of this section is subject to the full gross receipts tax levied by this chapter and the full compensating use tax levied by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

(c)(1) Water subject to the exemption provided under this section shall be separately metered from water used for any other purpose by the taxpayer.

(2) However, the rules promulgated under subsection (e) of this section may establish additional or alternate requirements for the metering of water under this section.

(d) Before allowing the exemption for water under this section, the Secretary of the Department of Finance and Administration may require a water utility to obtain a certificate from the taxpayer in the form prescribed by the secretary, certifying that the taxpayer is eligible for the exemption.

(e) The secretary shall promulgate rules for the proper administration of this section.

SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the first day of the second calendar month following the effective date of this act.