

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 1506

By: Representative Beaty Jr.

By: Senator Gilmore

For An Act To Be Entitled

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

Subtitle

TO CREATE A SALES AND USE TAX EXEMPTION FOR PARTS PURCHASED TO REPAIR AGRICULTURAL EQUIPMENT AND MACHINERY AND TIMBER 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:

26-52-455. Parts to repair agricultural equipment and machinery or timber equipment and machinery.

(a) As used in this section:

(1) "Agricultural equipment and machinery" means implements used exclusively and directly in a commercial agricultural production in this state; and

(2) "Timber equipment and machinery" means implements used exclusively in the commercial production, harvesting, or processing of timber in this state.

(b) The gross receipts or gross proceeds derived from the sale of parts purchased to repair, either in whole or in part, existing agricultural



equipment and machinery or timber equipment and machinery 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.

SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on and after January 1, 2024.