

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4
5 By: Senator T. Garner
6

A Bill

SENATE BILL 261

For An Act To Be Entitled

8 AN ACT TO PROVIDE A SALES AND USE TAX EXEMPTION FOR
9 TIMBER MACHINERY AND EQUIPMENT; TO PROVIDE THAT THE
10 SALES AND USE TAX EXEMPTION FOR TIMBER MACHINERY AND
11 EQUIPMENT BE ADMINISTERED AS A REBATE; AND FOR OTHER
12 PURPOSES.

Subtitle

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16 TO PROVIDE A SALES AND USE TAX EXEMPTION
17 FOR TIMBER MACHINERY AND EQUIPMENT.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4, is
23 amended to add an additional section to read as follows:

24 26-52-452. Timber machinery and equipment.

25 (a) As used in this section:

26 (1)(A) "All-terrain vehicle" means a vehicle that:

27 (i) Has three (3), four (4), or six (6) wheels;

28 (ii) Is fifty inches (50") or less in width;

29 (iii) Is equipped with nonhighway tires; and

30 (iv) Has an engine displacement of no more than one
31 thousand cubic centimeters (1,000 cc).

32 (B) "All-terrain vehicle" does not include a golf cart,
33 riding lawnmower, or lawn or garden tractor;

34 (2) "Member of the timber industry" means a person who is
35 engaged primarily in the commercial production, harvesting, or processing of
36 timber; and



1 (3)(A) "Timber machinery and equipment" means implements used
2 exclusively in the production, harvesting, or processing of timber.

3 (B) "Timber machinery and equipment" includes without
4 limitation all-terrain vehicles.

5 (C) "Timber machinery and equipment" does not include:

6 (i) Machinery and equipment exempt under § 26-52-
7 431;

8 (ii) Motor vehicles that are subject to registration
9 and licensing for use on the highways; and

10 (iii) Hand tools.

11 (b) The gross receipts or gross proceeds derived from the sale of
12 timber machinery and equipment to a member of the timber industry are exempt
13 from the gross receipts tax levied by this chapter and the compensating use
14 tax levied by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

15 (c) To the extent that the exemption provided for under this section
16 applies to an all-terrain vehicle, the exemption shall be administered as a
17 rebate.

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19 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the
20 first day of the calendar quarter following the effective date of this act.

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