

1 State of Arkansas  
2 94th General Assembly  
3 Regular Session, 2023

# A Bill

SENATE BILL 215

4  
5 By: Senator Irvin  
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## For An Act To Be Entitled

8 AN ACT TO CREATE A SALES AND USE TAX EXEMPTION FOR  
9 CERTAIN TANGIBLE PERSONAL PROPERTY RELATED TO  
10 AGRICULTURE; TO PROVIDE A SALES AND USE TAX EXEMPTION  
11 FOR WORKING HORSES AND FENCING USED IN A COMMERCIAL  
12 AGRICULTURAL PRODUCTION; AND FOR OTHER PURPOSES.  
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## Subtitle

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15 TO PROVIDE A SALES AND USE TAX EXEMPTION  
16 FOR WORKING HORSES AND FENCING USED IN A  
17 COMMERCIAL AGRICULTURAL PRODUCTION.  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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23 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4, is  
24 amended to add an additional section to read as follows:

25 26-52-455. Certain tangible personal property used in commercial  
26 agricultural production.

27 (a) As used in this section:

28 (1) "Commercial agricultural production" means the production of  
29 crops, livestock, or animal products as a business operation;

30 (2) "Livestock" means cattle, bison, horses, sheep, goats,  
31 donkeys, mules, swine, domesticated rabbits, chickens, turkeys, and other  
32 domesticated animals raised primarily for human food consumption; and

33 (3)(A) "Working horse" means a horse that is used primarily as a  
34 work animal in a commercial agricultural production.

35 (B) "Working horse" does not include a race horse, show  
36 horse, or horse used primarily for breeding purposes.



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(b) 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) A working horse; and

(2) Fencing used to contain or separate, or both, livestock used in or maintained as part of a commercial agricultural operation.

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.