

1 State of Arkansas  
2 94th General Assembly  
3 Regular Session, 2023  
4

# A Bill

HOUSE BILL 1506

5 By: Representative Beaty Jr.  
6 By: Senator Gilmore  
7

## For An Act To Be Entitled

9 AN ACT TO CREATE A SALES AND USE TAX EXEMPTION FOR  
10 PARTS PURCHASED TO REPAIR AGRICULTURAL EQUIPMENT AND  
11 MACHINERY AND TIMBER EQUIPMENT AND MACHINERY; AND FOR  
12 OTHER PURPOSES.  
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## Subtitle

15 TO CREATE A SALES AND USE TAX EXEMPTION  
16 FOR PARTS PURCHASED TO REPAIR  
17 AGRICULTURAL EQUIPMENT AND MACHINERY AND  
18 TIMBER EQUIPMENT AND MACHINERY.  
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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24 SECTION 1. Arkansas Code Title 26, Chapter 52, Subchapter 4, is  
25 amended to add an additional section to read as follows:

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

28 (a) As used in this section:

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

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

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



1 equipment and machinery or timber equipment and machinery are exempt from the  
2 gross receipts tax levied by this chapter and the compensating use tax levied  
3 by the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

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