

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

A Bill

HOUSE BILL 1160

5 By: Representative Payton
6 By: Senator Rapert
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING THE EXEMPTION FROM
10 THE SALES AND USE TAX DUE ON CERTAIN MOTOR VEHICLES,
11 TRAILERS, AND SEMITRAILERS; TO INCREASE THE SALES AND
12 USE TAX EXEMPTION FOR A USED MOTOR VEHICLE; TO
13 ELIMINATE THE SALES AND USE TAX EXEMPTION FOR CERTAIN
14 MOTOR VEHICLES, TRAILERS, AND SEMITRAILERS; AND FOR
15 OTHER PURPOSES.
16
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Subtitle

18 TO INCREASE THE SALES AND USE TAX
19 EXEMPTION FOR A USED MOTOR VEHICLE; AND
20 TO ELIMINATE THE SALES AND USE TAX
21 EXEMPTION FOR CERTAIN MOTOR VEHICLES,
22 TRAILERS, AND SEMITRAILERS.
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26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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28 SECTION 1. Arkansas Code § 26-52-510(b)(1)(B), concerning the direct
29 payment of sales tax by a consumer-user on a new or used motor vehicle,
30 trailer, or semitrailer, is amended to read as follows:

31 (B) However, tax is not due if the total consideration ~~for~~
32 is less than the following amounts:

33 (i) For the sale of the new or a used motor vehicle,
34 trailer, or semitrailer is less than four thousand dollars (\$4,000), ~~no tax~~
35 ~~shall be due;~~

36 (ii) For the sale of a used motor vehicle, seven



1 thousand five hundred dollars (\$7,500); and
 2 (iii) For the sale of a used motor vehicle on or
 3 after two (2) years from the effective date of this act, ten thousand dollars
 4 (\$10,000).

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 6 SECTION 2. Arkansas Code § 26-53-126(b)(2), concerning the payment of
 7 use tax on a new or used motor vehicle, trailer, or semitrailer, is amended
 8 to read as follows:

9 (2) However, tax is not due if the total consideration ~~for~~ is
 10 less than the following amounts:

11 (A) For the sale of ~~the new or a~~ used motor vehicle,
 12 trailer, ~~or semitrailer is less than~~ four thousand dollars (\$4,000), ~~no tax~~
 13 shall be due;

14 (B) For the sale of a used motor vehicle, seven thousand
 15 five hundred dollars (\$7,500); and

16 (C) For the sale of a used motor vehicle on or after two
 17 (2) years from the effective date of this act, ten thousand dollars
 18 (\$10,000).

19
 20 SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective
 21 on the first day of the second calendar month following the effective date of
 22 this act.