

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

# A Bill

HOUSE BILL 1190

5 By: Representative Beck  
6

## For An Act To Be Entitled

8 AN ACT TO AMEND ARKANSAS SALES AND USE TAXATION; TO  
9 PROVIDE SALES AND USE TAX EXEMPTION FOR CERTAIN  
10 UTILITIES USED BY A SWINE FARM; AND FOR OTHER  
11 PURPOSES.  
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## Subtitle

14 TO PROVIDE A SALES AND USE TAX EXEMPTION  
15 FOR CERTAIN UTILITIES USED BY A SWINE  
16 FARM.  
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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 § 26-52-453 is amended to read as follows:  
23 26-52-453. Water used in poultry and swine farming.

24 (a) As used in this section:

25 (1) "~~poultry~~ Poultry farm" means a facility used for the  
26 commercial production of poultry, including without limitation a broiler or  
27 turkey grow-out house, laying house, hatching unit, nursery unit, and  
28 breeding house; and

29 (2) "Swine farm" means a facility used for the commercial  
30 production of swine.

31 (b)(1) The gross receipts or gross proceeds derived from the sale of  
32 water that is used exclusively in the operation of a poultry farm or a swine  
33 farm are exempt from the gross receipts tax levied by this chapter and the  
34 compensating use tax levied by the Arkansas Compensating Tax Act of 1949, §  
35 26-53-101 et seq.

36 (2) Water sold for any purpose other than the purpose stated in



1 subdivision (b)(1) of this section is subject to the full gross receipts tax  
 2 levied by this chapter and the full compensating use tax levied by the  
 3 Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

4 (c)(1) Water subject to the exemption provided under this section  
 5 shall be separately metered from water used for any other purpose by the  
 6 taxpayer.

7 (2) However, the rules promulgated under subsection (e) of this  
 8 section may establish additional or alternate requirements for the metering  
 9 of water under this section.

10 (d) Before allowing the exemption for water under this section, the  
 11 Secretary of the Department of Finance and Administration may require a water  
 12 utility to obtain a certificate from the taxpayer in the form prescribed by  
 13 the secretary, certifying that the taxpayer is eligible for the exemption.

14 (e) The secretary shall promulgate rules for the proper administration  
 15 of this section.

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 17 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective on the  
 18 first day of the second calendar month following the effective date of this  
 19 act.

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