

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

# A Bill

SENATE BILL 466

## For An Act To Be Entitled

8 AN ACT TO EXEMPT A MANUFACTURER'S REBATE ON A MOTOR  
9 VEHICLE FROM SALES AND USE TAX; TO EXCLUDE A  
10 MANUFACTURER'S REBATE ON A MOTOR VEHICLE FROM THE  
11 DEFINITION OF "SALES PRICE" USED FOR PURPOSES OF  
12 DETERMINING SALES AND USE TAXES; AND FOR OTHER  
13 PURPOSES.

## Subtitle

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17 TO EXEMPT A MANUFACTURER'S REBATE ON A  
18 MOTOR VEHICLE FROM SALES AND USE TAX; AND  
19 TO EXCLUDE A MANUFACTURER'S REBATE ON A  
20 MOTOR VEHICLE FROM THE DEFINITION OF  
21 "SALES PRICE" USED FOR PURPOSES OF  
22 DETERMINING SALES AND USE TAXES.

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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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27 SECTION 1. Arkansas Code § 26-52-103(19)(B), concerning the definition  
28 of "gross receipts", "gross proceeds", or "sales price" under the Arkansas  
29 Gross Receipts Act of 1941, is amended to read as follows:

30 (B) "Gross receipts", "gross proceeds", or "sales price"  
31 does not include:

32 (i) A discount including cash, term, or a coupon  
33 that is not reimbursed by a third party and that is allowed by a seller and  
34 taken by a purchaser on a sale;

35 (ii) An interest, financing, or carrying charge from  
36 credit extended on the sale of tangible personal property, specified digital



1 products, a digital code, or services if the amount is separately stated on  
2 the invoice, bill of sale, or similar document given to the purchaser; ~~and~~

3 (iii) A tax legally imposed directly on the consumer  
4 that is separately stated on the invoice, bill of sale, or similar document  
5 given to the purchaser; and

6 (iv) A manufacturer's rebate on a motor vehicle;  
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8 SECTION 2. Arkansas Code § 26-53-102(20)(B), concerning the definition  
9 of "sales price" or "purchase price" under the Arkansas Compensating Tax Act  
10 of 1949, is amended to read as follows:

11 (B) "Sales price" or "purchase price" does not include:

12 (i) A discount, including cash, term, or a coupon  
13 that is not reimbursed by a third party and that is allowed by a seller and  
14 taken by a purchaser on a sale;

15 (ii) Interest, financing, and carrying charges from  
16 credit extended on the sale of tangible personal property, specified digital  
17 products, a digital code, or services if the amount is separately stated on  
18 the invoice, bill of sale, or similar document given to the purchaser; ~~and~~

19 (iii) Any tax legally imposed directly on the  
20 consumer that is separately stated on the invoice, bill of sale, or similar  
21 document given to the purchaser; and

22 (iv) A manufacturer's rebate on a motor vehicle;  
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24 SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective  
25 on the first day of the calendar quarter following the effective date of this  
26 act.  
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