

## **EXEMPTIONS OR EXCLUSIONS FROM THE 6% ARKANSAS GROSS RECEIPTS TAX AND COMPENSATING USE TAX**

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This document is to be used only for classification and estimates of various exemptions or exclusions to the Arkansas Gross Receipts tax and the Arkansas Compensating Use tax. Always refer to the regulations published by DF&A for definitive guidance.

Tax expenditures are features of the tax law that by exclusion, exemption, deduction, allowance, credit, deferral, preferential tax rate, or other statutory device reduce the amount of the taxpayer's liability to the State by providing either economic incentives or tax relief to particular classes of persons or entities to achieve a public purpose. This report deals only with tax exemptions relating to the gross receipts tax or the compensating use tax.

The estimates below should only be used as a guide to the gross receipts tax exemptions allowed under Arkansas law and not as an official revenue estimate of any particular tax proposal. All estimates in this document are for fiscal year 2008.

In principle, sales taxes are designed to be levies on consumer expenditures. Sales taxes have been established in such a way as to **exclude** sales for direct resale, and sales of materials that become physical ingredients of goods produced for sale by the purchasers. Estimates of such exclusions are not addressed in this document.

### **MOTOR FUEL EXEMPTIONS**

1. Gasoline or motor vehicle fuel on which the gasoline or motor vehicle fuel tax has been paid. Act 386 of 1941; Ark. Code Ann. § 26-52-401(11)(A)(i)  
\$331,794,334
2. Sales of motor fuel to owners or operators of motor buses operated on designated streets, according to regular schedules, under municipal franchise, for municipal transportation purposes.  
Act 600 of 1971; Ark. Code Ann. § 26-52-417(a)  
\$86,974
3. Sales of special fuel or petroleum products for consumption by vessels, barges, other commercial watercraft, and railroads.  
Act 1005 of 1995; Ark. Code Ann. § 26-52-401(11)(A)(ii)  
\$18,384,880

## **FEDERAL GOVERNMENT EXEMPTION**

1. Purchases legally made with food stamps or the Special Supplemental Food Program for women, Infants, and Children (WIC).  
Act 1033 of 1987; Ark. Code Ann. §26-52-401(27)(A)  
\$29,306,762
2. Sales to the United States Government and its agencies.  
Ark. Code Ann. §26-52-401(5)  
\$31,000,000
3. Sales or rental of medical equipment by medical equipment suppliers in Arkansas for the benefit of persons enrolled in and eligible for Medicare or Medicaid programs under the Federal Social Security Act.  
Act 414 of 1991; Ark. Code Ann. §26-52-401(20)  
\$4,200,000
4. Sales of motor vehicles purchased in lots of 10 and (1) purchased by non-profit organizations, and used for the performance of contracts with the Department of Human Services, or (2) purchased with Urban Mass Transit Funds.  
Act 910 of 1991; Ark. Code Ann. §26-52-420  
\$15,000
5. Sales of motor vehicles and adaptive equipment to disabled veterans who have purchased them with financial assistance from the Department of Veterans Affairs.  
Act 70 of 1979; Ark. Code Ann. §26-52-401(6)  
\$66,567

## **MEDIA EXEMPTIONS**

1. Services purchased by radio and television companies for use in providing their services.  
Act 769 of 1989; Ark. Code Ann. § 26-52-301(3)(C)(ii)  
\$3,648,062
2. Sales of newspapers.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(4)  
\$2,963,672
3. Sale or rental of advertising space in newspapers and publications.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(13)  
\$14,851,119
4. Sale of billboard advertising.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(13)  
\$1,156,701

5. Sale of any publication (other than newspapers) through regular subscription.  
Act 617 of 1993; Ark. Code Ann. § 26-52-401(14)  
\$4,478,376

### **EXEMPTIONS FOR LOW-INCOME HOUSEHOLDS**

1. The sale of the first 500 kilowatt hours of electricity per month to each residential customer whose household income does not exceed \$12,000.00 per year.  
Act 120 of 1983(Ex. Sess.); Ark. Code Ann. § 26-52-416(a)  
\$3,569,820
2. Sales of new or used motor vehicles or trailers of less than \$2,500.00.  
Act 1232 of 1997; Ark. Code Ann. § 26-52-510(b)(1)(B)  
\$19,218,045
3. Sales of food and food ingredients to non-profit agencies organized under the Arkansas Nonprofit Corporation Act (4-28-201) for free distribution to the poor and needy.  
Act 1144 of 1993; Ark. Code Ann. § 26-52-421  
\$100,880

### **MEDICAL EXEMPTIONS**

1. Sales of prescription drugs when sold by a dispensing physician or at retail stores or other health care facilities and oxygen for human use when prescribed by a licensed physician.  
Act 416 of 1987, Act 704 of 1997, Act 884 of 1997; Ark. Code Ann. § 26-52-406  
\$95,800,407
2. Sales of tests strips for testing human blood sugar levels (Sales of insulin are included under the prescription drugs exemption).  
Act 215 of 1991; Ark. Code Ann. § 26-52-419  
\$1,383,642
3. Sales, rentals, or repair of durable medical equipment, mobility-enhancing equipment, prosthetic devices, and disposable medical supplies when the items are prescribed by a physician.  
Act 414 of 1991; Ark. Code Ann. § 26-52-433  
\$8,718,811
4. Sales tax exemption for wheelchair lifts or automobile hand controls for persons with prescriptions.  
Act 140 of 2007; Ark. Code Ann. §26-52-433  
Minimal revenue impact

## AGRICULTURAL EXCLUSIONS

1. Sales of raw products, including Christmas trees, from the farm, orchard, or garden where the sale is made directly by the producer to the consumer.  
Act 386 of 1941 & Act 458 of 1991; Ark. Code Ann. § 26-52-401(18)(A)(iii)  
\$38,706
2. Sale of baby chickens in Arkansas.  
Act 15 of 1949; Ark. Code Ann. § 26-52-401(18)(A)(v)  
\$15,937,895
3. Sales of livestock, poultry, poultry products, and dairy products of producers who own not more than five (5) cows.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(18)(A)(iv)  
\$40,435
4. Sales of twine used in the production of tomatoes.  
Act 759 of 1975; Ark. Code Ann. § 26-52-408(b)  
\$160
5. Sales of bagging, packaging, and tie materials sold to and used by, cotton gins in Arkansas for packaging and tying baled cotton in Arkansas.  
Act 759 of 1975; Ark. Code Ann. § 26-52-408(a)  
\$513,945
6. Sales of cotton, seed cotton, lint cotton or baled cotton whether compressed or not.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(18)(A)(i)  
\$35,630,840
7. Sales of seed to be used in the commercial production of any agricultural product or agricultural seed.  
Act 133 of 1965; Ark. Code Ann. § 26-52-401(18)(A)(ii)  
\$14,700,000
8. Sales of agricultural fertilizer, agricultural limestone, and agricultural chemicals, pesticides, herbicides, and vaccines, medications, and medicinal preparations used in treating livestock and poultry.  
Act 68 of 1973; Ark. Code Ann. § 26-52-405  
\$33,900,000
9. Sales of feedstuffs used in the commercial production of livestock or poultry.  
Act 94 of 1955; Ark. Code Ann. § 26-52-404(a)  
\$74,948,099

## **INDUSTRIAL AND AGRICULTURAL MACHINERY OR EQUIPMENT EXEMPTIONS**

1. Sale of machinery used directly in manufacturing or processing.  
Act 5 of 1968(1st Ex. Sess.), Act 841 of 1985; Ark. Code Ann. § 26-52-402(a)(1)(A)  
\$74,568,291
2. Sale of machinery and equipment to newspaper publishers if it satisfies Regulation GR-55.  
Act 5 of 1968(1st Ex. Sess.); Ark. Code Ann. § 26-52-402(a)(1)(A)  
\$288,967
3. Sale of pollution control machinery and equipment utilized by manufacturing or processing plants or facilities or cities or towns in Arkansas to prevent or reduce air or water pollution.  
Act 5 of 1968(1st Ex. Sess.); Ark. Code Ann. § 26-52-402(a)(3)  
\$18,962,131
4. Sales of machinery and equipment used exclusively and directly in farming for commercial purposes. Act 432 of 1981; Ark. Code Ann. § 26-52-403(b)(1)(A)  
\$23,480,516
5. Irrigation pipe carrying water from the well to the crop is exempt as farm equipment.  
Act 587 of 1995; Ark. Code Ann. § 26-52-403(b)(2)  
\$415,950
6. The first \$50,000 of the purchase price of timber harvesting equipment is exempt if the purchaser's primary activity is harvesting timber and if the equipment is used exclusively for harvesting timber.  
Act 1334 (1999), Act 622 (2001); Ark. Code Ann. 26-52-431  
\$1,190,592
7. Sales of machinery and equipment used for production of sod and nursery products.  
Act 1033 (1999). Ark. Code Ann. 26-52-403  
\$286,400
8. Sales tax exemption on fuel packaging materials and machinery and equipment (including analytical equipment and chemicals) used in the business of processing hazardous and non-hazardous waste into fuel products.  
Act 1683 of 2001; Ark. Code Ann. §26-52-401(36)  
\$81,076
9. Sales tax exemption for livestock reproduction equipment or substances.  
Act 2168 of 2005; Ark. Code Ann. §26-52-439  
\$25,928

## ENERGY EXEMPTIONS

1. Sale of electricity used in the manufacture of aluminum metal by the electrolytic reduction process.  
Act 986 of 1987; Ark. Code Ann. § 26-52-401(24)  
No current production or corresponding revenue loss.
2. Sales of natural gas used in the process of manufacturing glass.  
Act 1140 of 1993; Ark. Code Ann. § 26-52-423  
\$78,283
3. Sales of natural gas and electricity to taxpayers qualified under Ark. Code Ann. 26-52-901 for use in connection with the steel mills.  
Act 48 of 1987; Ark. Code Ann. § 26-52-903  
\$7,749,897.
4. Sales of railroad ties, solid waste (except for wood byproducts and chips), used motor oil and other petroleum based waste, and waste fuel if used as fuel in manufacturing operations. Waste fuel is defined to mean products or materials which have been derived from tires or from municipal solid waste for use to produce heat or power by burning.  
Act 1024 of 1993, Act 1134 of 1995, Act 825 of 1997; Ark. Code Ann. § 26-52-425  
\$326,874
5. Sale of gas produced from “biomass” and sold for the purpose of generating energy, which is then sold back to the gas producer.  
Act 999 of 1997; Ark. Code Ann. § 26-52-429(a)  
\$124,105
6. Sales tax exemption on natural gas and electricity used in wall and floor tile manufacturing if construction began before 1/1/2003.  
Act 1375 of 2001; Ark. Code Ann. §26-52-435  
\$0
7. Sales tax exemption for sale of electricity used for production of chlorine and other chemicals using a chlor-alkali manufacturing process.  
Act 877 of 2005; Ark. Code Ann. §26-52-438  
\$0
8. Sales tax exemption for dyed diesel. The sales tax was replaced by a per gallon tax.  
Act 87 of 2007; Ark. Code Ann. §26-52-401(11)(A)  
\$27,614,113
9. Partial sales tax exemption (reduction of 1.5% in FY2008 and 2.0% in FY2009) on manufacturers’ use of natural gas and electricity.  
Act 185 of 2007; Ark. Code Ann. §26-52-319  
\$20,200,000

10. Sales tax exemption for natural gas and electricity used in the manufacture of tires.  
Act 548 of 2007; Ark. Code Ann. §26-52-441  
\$657,000

#### **EXEMPTIONS FOR LOCAL GOVERNMENTS OTHER THAN SCHOOL DISTRICTS**

1. Sales by municipalities or counties of tickets or admissions to places of amusement or athletic, entertainment, or recreational events.  
Act 509 of 1981, Act 657 of 2007; Ark. Code Ann. § 26-52-411  
\$143,994
2. Public Housing Authorities.  
Act 298 of 1937; Ark. Code Ann. § 14-169-235  
\$4,084,384
3. Regional Water Distributions Districts.  
Act 114 of 1957; Ark. Code Ann. § 14-116-405  
\$1,399,537
4. Regional Airport Authority organized under Ark. Code Ann. 14-362-101.  
Act 17 of 1968; Ark. Code Ann. § 14-362-121  
\$386,691
5. Fire protection equipment and emergency equipment to be owned by and exclusively used by volunteer fire departments.  
Act 1010 of 1995; Ark. Code Ann. § 26-3-309(a)  
\$250,858
6. Construction supplies and materials used in construction and maintenance of volunteer fire departments. Act 441 of 1997; Ark. Code Ann. § 26-3-309(b)  
\$339,221
7. Allows counties the same sales tax exemption as municipalities for sale of admission tickets to places of amusement or to athletic, entertainment, or recreational events.  
Act 657 of 2007; Ark. Code Ann. §26-52-411  
\$32,384

#### **EXEMPTIONS FOR NON-PROFIT, RELIGIOUS or CHARITABLE ORGANIZATIONS**

1. Boys' and Girls' Clubs of America and any local Councils. Act 252 of 1977 & Act 630 of 1979; Ark. Code Ann. § 26-52-401(7)  
\$12,600

2. The Poets Roundtable of Arkansas.  
Act 630 of 1979; Ark. Code Ann. § 26-52-401(9)  
\$800
3. Boy Scouts of America or any Scout Councils located in Arkansas.  
Act 922 of 1975; Ark. Code Ann. § 26-52-401(7)  
\$31,100
4. Girl Scouts of the United States of America or any Scout Councils located in Arkansas.  
Act 922 of 1975; Ark. Code Ann. § 26-52-401(7)  
\$90,600
5. 4-H Clubs and FFA Clubs located in Arkansas.  
Act 630 of 1979; Ark. Code Ann. § 26-52-401(10)  
\$379,400
6. The Arkansas 4-H Foundation, the Arkansas Future Farmers of America Foundation, and the Arkansas Future Farmers of America Association.  
Act 630 of 1979; Ark. Code Ann. § 26-52-401(10)  
\$1,800
7. Orphans' homes and Children's homes in Arkansas, not operated for profit, and operated by church, religious or other charitable organizations.  
Act 82 of 1949; Ark. Code Ann. § 26-52-413  
\$77,900
8. American Red Cross.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(5)  
\$24,100
9. Humane Societies not operated for profit and organized for the prevention of cruelty to animals.  
Act 417 of 1979; Ark. Code Ann. § 26-52-414  
\$77,900
10. Sales of food to governmental agencies for free distribution to any public, penal, or eleemosynary institution or for free distribution to the poor and needy.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(19)  
\$72,200
11. Sales by churches and charitable organizations.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(1) & § 26-52-401(2)  
\$361,000
12. Sales to any hospital, sanitarium, or not-for-profit nursing homes operated for charitable and non-profit purposes.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(21)  
\$80,136,900



13. Sales to non-profit organizations whose sole purpose is to provide temporary housing to the family of patients in a hospital or sanitarium.  
Act 753 of 1989; Ark. Code Ann. § 26-52-401(21)  
\$7,800
14. Sales of new motor vehicles to a veteran of the U.S. Armed Services who is blind as a result of a service-connected injury.  
Act 70 of 1979; Ark. Code Ann. § 26-52-415(a)  
\$6,200
15. Sales of motor vehicles for use exclusively by volunteer crews or squads for life saving, first aid or other rescue activities, including volunteer fire departments.  
Act 315 of 1969; Ark. Code Ann. § 27-15-1803  
\$188,300
16. Sales to Fort Smith Clearing House.  
Act 913 of 1993; Ark. Code Ann. § 26-53-135  
\$41,100
17. Sales to federal credit union.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(5)  
\$1,210,000
18. Sales of articles sold on the premises of the Arkansas Veterans' Home.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(5)  
\$1,600
19. Arkansas Country Music Hall of Fame Board.  
Act 671 of 1985; Ark. Code Ann. § 13-9-104  
\$3,100
20. Sales of property or services to Habitat for Humanities.  
Act 516 of 1995; Ark. Code Ann. § 26-52-401(32)  
\$41,100
21. Sales of tangible personal property and services to the Salvation Army.  
Act 603 of 1997; Ark. Code Ann. § 26-52-401(34)  
\$24,100
22. Sales of tangible personal property and services to Heifer Project International, Inc.  
Act 1222 of 1997; Ark. Code Ann. § 26-52-401(35)  
\$93,400

23. Sales tax exemption for sales by gift shops operated by charitable organizations at for-profit hospitals. There was already a sales tax exemption for sales by gift shops operated by nonprofit organizations at nonprofit hospitals.  
Act 628 of 2001; Ark. Code Ann. §26-52-430  
\$3,139
24. Sales tax exemption for sales to the Arkansas Symphony Orchestra Society.  
Act 2132 of 2005; Ark. Code Ann. §26-52-401(37)  
\$28,385

## **AVIATION OR AEROSPACE**

1. The sales of new or used aircraft of less than \$2,500.00.  
Act 1076 of 1997; Ark. Code Ann. § 26-52-505(b)  
\$800
2. Aircraft held for resale that is used in a charter service for a period of 24 months from the date of purchase.  
Act 499 of 1995; Ark. Code Ann. § 26-52-409(b)  
\$2,352,900

## **EXEMPTIONS FOR SCHOOL DISTRICTS AND OTHER EDUCATIONAL INSTITUTIONS**

Arkansas taxes sales to itself and to the local governments.

1. Sales of school buses to school districts in Arkansas.  
Act 339 of 1947; Ark. Code Ann. § 26-52-410(b)  
\$941,500
2. Purchase of school buses if the purchaser exclusively uses buses to provide school bus service for an Arkansas school district.  
Act 1303 of 1997; Ark. Code Ann. § 26-52-410(c)  
No revenue loss
3. Sales of motor vehicles to municipalities, counties, state-supported colleges, state supported universities, or public school districts in Arkansas.  
Act 49 of 1971; Ark. Code Ann. § 26-52-410(a)  
\$2,352,900
4. Motor vehicles purchased by technical or community colleges for school business.  
Act 1297 of 1995; Ark. Code Ann. § 6-51-101(1)  
\$11,900
5. Sales of food in public, common, high school or college cafeterias and lunchrooms.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(3)  
\$5,490,200

6. Sales of textbooks, library books, or other items purchased by the State of Arkansas to be distributed free of any charge to the public schools of Arkansas.  
Act 605 of 1995; Ark. Code Ann. § 6-21-411  
\$886,200
7. Sales of tickets for admissions to athletic events and interscholastic activities at public and private elementary and secondary schools in Arkansas.  
Act 516 of 1973; Ark. Code Ann. § 26-52-412(a)  
\$1,318,000
8. Sales of tickets for admission to athletic events at public or private universities and colleges in Arkansas. Act 124 of 1995; Ark. Code Ann. § 26-52-413(b)  
\$117,500
9. Sales tax exemption for parking space charges or fees by state institutions.  
Act 2162 of 2005; Ark. Code Ann. §25-17-307(a)(2)(B)  
\$129,638
10. Expanded the list of “instructional materials” that are exempt from sales tax when purchased by schools. Added sheet music, electronic software, maps, globes, charts, etc. and video tapes, DVDs, films, and cassettes.  
Act 1441 of 2005; Ark. Code Ann. §26-52-437  
\$70,549

## **OTHER EXEMPTIONS**

1. The tax does not apply to transportation services, sewer, or some sanitation services.  
Act 386 of 1941 & Act 585 of 1979; Ark. Code Ann. § 26-52-301(2)  
\$1,241,600
2. Membership dues paid for the privilege of membership, except dues and fees paid to health spas, health clubs, and fitness clubs, and dues and fees paid to private clubs which holds any permit from the Alcoholic Beverage Control Commission.  
Act 5 of 1992(2nd Ex. Sess.); Ark. Code Ann. § 26-52-301(6)  
\$2,510,100
3. Sales of automobile parts which constitute "core charges" which are received for the purpose of securing a trade-in for the article purchased.  
Act 986 of 1987; Ark. Code Ann. § 26-52-401(26)  
\$52,400
4. Services provided by coin operated car washes where the labor is performed solely by the customer or mechanical equipment.  
Act 181 of 1973; Ark. Code Ann. § 26-52-301(3)(C)(ii)  
\$157,100

5. The rental or lease of specialized equipment used in the filming of a motion picture, which qualifies for the tax incentives.  
Act 543 of 1985; Ark. Code Ann. § 26-52-402(c)(3)  
\$157,100
6. Admission fees at state, district, county or township fairs. Admission fees to rodeos.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(15)  
\$73,600
7. Repair or remanufacture of industrial metal rollers.  
Act 89 of 1989(3rd Ex. Sess.); Ark. Code Ann. § 26-52-301(3)(C)(v)  
\$6,200
8. Isolated sales not made by an established business or in an established manner. This exemption does not apply to the sale of motor vehicles, trailers, semi-trailers, mobile homes, or airplanes.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(17)  
\$1,490,800
9. Sales of secondhand or used property if item was taken in trade & tax was paid on the item the property traded-in on as part payment.  
Act 386 of 1941; Ark. Code Ann. § 26-52-401(22)  
\$ 6,588,800
10. Sales of dies and molds.  
Act 1001 of 1993; Ark. Code Ann. § 26-52-402(c)(2)(B)(i)  
\$ 99,100
11. Border city exemption. Extends Texas Sales Tax exemption to Arkansas sales made within Texarkana, Arkansas.  
Act 48 of 1977; Ark. Code Ann. § 26-52-303  
\$821,100
12. Construction materials and furnishings for use in the initial construction and equipping of a child care facility operated by a business for the exclusive purpose of providing child care services to their employees.  
Act 820 of 820 & Act 987 of 1993; Ark. Code Ann. § 26-52-516  
\$83,500
13. Sales of motor vehicles to persons engaged in the business of renting licensed motor vehicles. Act 1059 of 1993; Ark. Code Ann. § 26-52-311  
\$4,235,900

14. Fees charged for the transfer of fill material by a business engaged in transporting or delivering fill material, provided such fill material was obtained free of charge by a business engaged in transporting or delivering fill material and the charge to the customer or user is only for delivery.  
Act 1183 of 1993; Ark. Code Ann. § 26-52-401(31)  
\$314,300
15. Sales of used manufactured homes are exempt. Initial sales of manufactured homes are taxed on 62% of the gross sales price. The sales of new and used mobile homes are exempt.  
Act 1192 of 1997; Ark. Code Ann. § 26-52-504(c)  
\$2,980,100
16. Property sold or distributed by common carrier, U.S. Postal Service or in the seller's own conveyance to a point outside Arkansas for consumption or use. United States Constitution Art. 1, § 8 (3)  
Unable to determine.
17. Interstate private communications service which is not accessible by the public.  
Act 27 of 1987; Ark. Code Ann. § 26-52-301(3)(iv)(a)  
\$314,300
18. Interstate service which allows access to private telephone lines and which is not accessible by the public.  
Act 27 of 1987; Ark. Code Ann. § 26-52-301(3)(iv)(b)  
\$470,000
19. Interstate-wide area telecommunications service which entitles the subscriber to make or receive unlimited numbers of communications.  
Act 27 of 1987; Ark. Code Ann. § 26-52-301(3)(iv)(c)  
\$572,000
20. Repair or refurbishing of telephone instruments if the instruments are sent into Arkansas for repair and then shipped out of Arkansas to the state of origin.  
Act 495 of 1985; Ark. Code Ann. § 26-52-418  
\$0
21. New aircraft sold by a manufacture or substantially completed in Arkansas to a purchaser out of state for use exclusively outside Arkansas.  
Act 377 of 1981; Ark. Code Ann. § 26-52-505(c)  
\$25,412,400
22. Repairs of watches or clocks which are received by mail or common carrier and which, after being repaired, are returned by mail, common carrier, or the seller's own conveyance to points outside Arkansas. Act 471 of 1981; Ark. Code Ann. § 26-52-301(3)(c)(v)  
\$1,098,600

23. Repair or maintenance services of railroad parts, cars, and equipment brought into Arkansas for repair or maintenance, solely and exclusively and then returned to a point outside Arkansas. Any parts are taxable. Act 848 of 1995; Ark. Code Ann. § 26-52-428  
\$8,471,700
24. Sales of vessels, barges, and towboats of at least fifty (50) tons load displacement. Act 449 of 1979; Ark. Code Ann. § 26-52-407  
\$126,000
25. Sale of parts and labor used to repair and construct vessels barges and towboats of at least fifty (50) tons load displacement. Act 449 of 1979; Ark. Code Ann. § 26-52-407  
\$131,700
26. Provides that local sales taxes levied by a county on items sold by meter and route delivery (such as gas) do not apply to nonresidents, regardless of the manner by which the item was ordered. Prior to this change, DF&A interpreted the law as exempting sales that were delivered on prearranged, regular schedule and not exempting sales made outside of regular route deliveries. Act 374 of 2003; Ark. Code Ann. §26-74-212, 26-74-608, 26-75-216  
\$0
27. Sales tax exemption for the first \$9,150 of selling price of truck tractor (Class Five – Class Eight trucks) and first \$1,000 of selling price of a semi-trailer. Act 551 of 2003; Ark. Code Ann. §26-52-436, 26-53-144  
\$6,979,200
28. Sales tax exemption for purchases by a “Qualified Museum” for construction, repair, expansion, or operation. A “Qualified Museum” must have a collection with a value greater than \$100,000,000 in an Arkansas facility prior to January 1, 2013. The aggregate costs of construction and acquisition must exceed \$30 million. Act 1865 of 2005; Ark. Code Ann. §26-52-440  
\$1,380,000
29. Partial sales tax exemption (reduction of 3.0% in FY2008 forward) on food and food ingredients. Act 110 of 2007; Ark. Code Ann. §26-52-317  
\$117,800,000
30. Sales tax exemption for free passes to recreational events. Act 154 of 2007; Ark. Code Ann. §26-52-103(18)  
\$20,000