

ARKANSAS REGISTER



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W.J. "BILL" McCuen
SECRETARY OF STATE
LITTLE ROCK, ARKANSAS

Transmittal Sheet

W.J. "BILL" McCuen
Secretary of State
State Capitol
Little Rock, Arkansas 72201-1094

For Office
Use Only:

Effective Date 4-19-91 Code Number 006.05.91--004

Name of Agency Dept. of Finance and Administration

Department Division of Revenue

Contact Person Cora L. Gentry Telephone 682-7030

Statutory Authority for Promulgating Rules Ark. Code Ann. §26-18-301

Intended
Effective Date

Date

☒ Emergency

☐ 20 Days
After Filing

☐ Other

Legal Notice Published

Final Date for Public Comment

Filed With Legislative Council

Reviewed by Legislative Council

Adopted by State Agency

4/19/91

5/1/91

CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted
In Compliance With Act 434 of 1967 As Amended.

Cora L. Gentry
SIGNATURE

Revenue Legal Counsel

TITLE

April 19, 1991
DATE

1991-4
EMERGENCY REGULATION

SALE OF MOBILE HOMES AND HOUSE TRAILERS

A. GENERAL INFORMATION

1. Sales of new and used mobile homes and house trailers are subject to sales or use tax. If gross receipts, sales, compensating (use) or other similar tax has been legally paid by the taxpayer to another state, then the taxpayer is entitled to credit for that tax. The taxpayer shall provide sufficient proof of such tax payment before credit is allowed.

2. If the total gross receipts or gross proceeds for the sale of a new or used mobile home or trailer, other than a manufactured home, is less than \$2,000.00, then sales or use tax is not due.

3. If the total gross receipts or gross proceeds for the sale of a new or used manufactured home is less than \$10,000.00, then sales or use tax is not due.

B. DEFINITIONS

1. A "manufactured home" is defined as a structure, transportable in one or more sections, which, in the traveling mode, is eight (8) feet or more in width, or forty (40) feet more in length, or when erected on site, is three hundred and twenty (320) or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities. This term also includes any structure which meets all other requirements except the size requirement and for which the manufacturer files a certification required by the Secretary of the Department of Housing and Urban Development.

2. The term "gross receipts" or "gross proceeds" means the total amount of consideration for the sale of the mobile home, trailer or manufactured home whether the consideration is in money or otherwise, without any deduction therefor on account of the cost of the property sold, labor service performed, interest paid by the retailer, losses or any expenses whatsoever. The term "gross receipts" or "gross proceeds" includes the value of any property taken in lieu of or in addition to money as consideration for a sale.

C. CALCULATION OF TAX DUE

If the seller takes a used mobile home, trailer, or manufactured home in trade as credit or part payment of a sale of

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a new or used manufactured home, mobile home or house trailer, tax shall be paid on the difference between the total gross receipts or gross proceeds received for the mobile home or trailer and any credit given for the traded-in manufactured home, mobile home or house trailer. No trade-in credit will be allowed if an item other than a used manufactured home, mobile home or house trailer is taken in trade.

D. SALES TAX REPORTS

Every seller of mobile homes or house trailers making sales from an established business is required to obtain a sales tax permit and to collect tax from the purchaser. The seller is to report the sale as any other taxpayer subject to the Arkansas Gross Receipts Tax laws. The seller is to provide the Commissioner with the following information along with the seller's regular sales tax report:

1. Purchaser's name and address.
2. Make, model, serial number and gross sales price of each mobile home or house trailer sold.
3. Make, model, serial number and value assigned to any mobile home or house trailer taken in trade as part payment on the sale of a new or used mobile home or house trailer.
4. Amount of state and local tax collected from the purchaser.
5. Copies of invoices, sales tickets or bills of sale concerning each mobile home or house trailer sold and taken in trade. (If the invoice, sales ticket or bill of sale contains the information required by 1, 2, 3 and 4, then only the invoices, sales tickets or bills of sale must accompany the sales tax report.)

E. RECORDS

The seller shall retain records reflecting the total gross receipts or gross proceeds received and a description of each mobile home or house trailer sold along with the value and description of each mobile home or house trailer taken in trade. If the seller's records are inadequate or incomplete, the Commissioner may utilize any of the following for purposes of determining sales tax liability:

1. Affidavit signed by the seller and purchaser attesting to the gross receipts or trade-in value of the mobile home or house trailer.

2. Mobile home or house trailer valuation schedules prepared by the Assessment Coordination Division of the Arkansas Public Service Commission.


3. Any national trade publication generally accepted by mobile home and house trailer dealers as accurately reflecting current mobile home or house trailer market value.

F. EFFECTIVE DATES

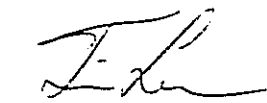
1. For purposes of determining whether a sale occurred before the effective date of Act 3 of 1991, the date on the bill of sale, contract, or other documents provided by the taxpayer controls.

2. This regulation shall be effective on May 1, 1991.

Executed this 19th day of April, 1991.



Jim Pledger, Director
Arkansas Department of Finance
and Administration



Tim Leathers
Commissioner of Revenues
Arkansas Department of Finance
and Administration

FINDING OF IMMINENT PERIL
AND STATEMENT OF REASONS

Act 3 of 1991 was signed by the Governor of the State of Arkansas on January 25, 1991, and will be in full force and effect from and after May 1, 1991. The Act provides for the application of the Arkansas Gross Receipts Tax and Arkansas Compensating Use Tax on sales of all new and used motor vehicles, trailers, mobile homes and airplanes. The Act also provides for a deduction for trade-ins and an exemption from tax for these items sold for less than \$2,000.00.

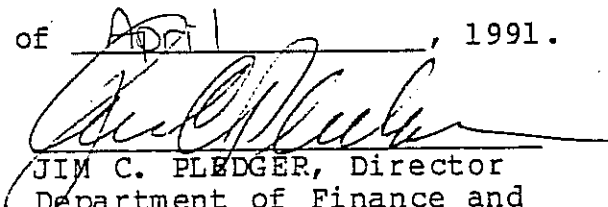
Section 4 of Act 401 of 1979, as amended, provides that the Commissioner of Revenues shall administer and enforce the provisions of every state tax law, including the Arkansas Gross Receipts Tax and the Arkansas Compensating Use Tax, and shall promulgate rules and regulations necessary for the enforcement thereof.

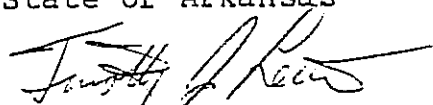
The current rules and regulations regarding the taxation of new and used motor vehicles, trailers, mobile homes and airplanes do not address the changes in tax law created by Act 3 of 1991.

To ensure understanding of and compliance with Act 3 of 1991 and to prescribe procedures for the implementation of the law, emergency regulations as authorized by Section 3 of Act 434 of 1967 (Ark. Code Ann. § 25-15-204) to be effective immediately upon filing thereof with the Secretary of State, are necessary.

For the above reasons, it is found that there exists an imminent peril to the welfare of the State of Arkansas and the attached emergency regulations, regarding the application of the Arkansas Gross Receipts Tax and the Arkansas Compensating Use Tax to new and used motor vehicles, trailers, mobile homes and airplanes, are necessary.

Executed this 19th day of April, 1991.


JIM C. PLEDGER, Director
Department of Finance and
Administration
State of Arkansas


TIMOTHY J. LEATHERS
Commissioner of Revenues
Department of Finance and
Administration
State of Arkansas