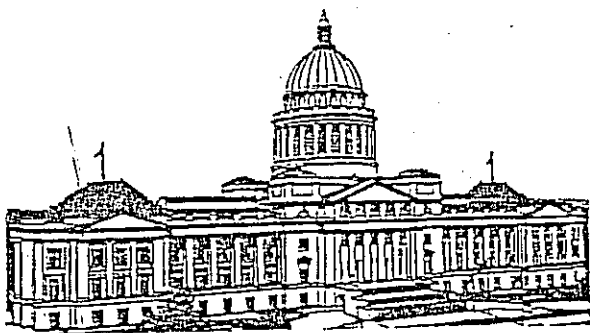


# ARKANSAS REGISTER

## Transmittal Sheet



Sharon Priest  
Secretary of State  
State Capitol Rm. 01  
Little Rock, Arkansas 72201-1094

For Office  
Use Only: Effective Date 11/14/97 Code Number 006,05.97 - 010

Name of Agency Department of Finance & Administration

Department Revenue Division

Contact Person Don Zern Phone 682-7751

Statutory Authority for Promulgating Rules Arkansas Code Annotated 26-18-301

	Date
Intended Effective Date	<u>6-12</u>
Legal Notice Published . . . . .	<u>Aug. 11-17, 1997</u>
<input type="checkbox"/> Emergency	Final Date for Public Comment . . . . . <u>Oct. 26, 1997</u>
<input checked="" type="checkbox"/> 10 Days After Filing	Filed With Legislative Council . . . . . <u>July 24, 1997</u>
<input type="checkbox"/> Other	Reviewed by Legislative Council . . . . . <u>Sept. 4, 1997</u>
	Adopted by State Agency . . . . . <u>July 24, 1997</u>

### CERTIFICATION OF AUTHORIZED OFFICER

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

Don Zern  
Signature

682-7751  
Phone Number

Taxpayer Information Officer  
Title

Nov. 4, 1997  
Date

FILED  
97 NOV -4 PM 1:55  
SHARON PRIEST  
SECRETARY OF STATE  
STATE OF ARKANSAS

## REGULATION

This regulation is necessary in order to properly implement and administer Act 998 of 1997 which became effective on August 1, 1997 and to administer Ark. Code Ann. §26-52-510(f).

FILED  
97 NOV -4 PM 3:03  
CLERK OF THE  
STATE OF ARKANSAS  
BY \_\_\_\_\_

Arkansas Gross Receipts Regulation GR-12 is amended to add a new section to read as follows:

### G. USED MOTOR VEHICLES REGISTERED BY VEHICLE DEALERS

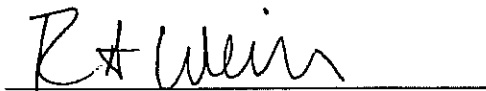
1. Act 998 of 1997 prohibits used motor vehicle dealers from assigning a motor vehicle using the Manufacturer's Statement of Origin (MSO). Used vehicle dealers are required to apply for title and registration to the vehicle before it may be transferred.

2. Ark. Code Ann. §26-52-510(f) permits any motor vehicle dealer who has purchased a used motor vehicle for resale to register the vehicle for the sole purpose of obtaining a certificate of title to the vehicle without payment of gross receipts tax. No license plate is issued with this registration and the vehicle may not be operated upon the highway without a dealer's plate.

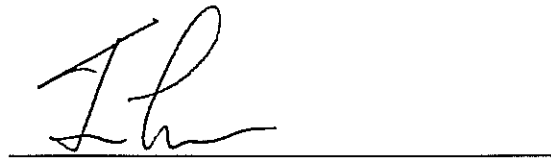
3. A used motor vehicle dealer may apply for title and registration to a vehicle which is assigned to the dealer on the vehicle's MSO without payment of gross receipts tax provided that §26-52-510(f) otherwise applies to the transaction.

4. "Used motor vehicle" is defined as any motor vehicle which has previously been sold, bargained, exchanged, given away or the title thereto transferred from the person or corporation who first took title from the manufacturer, importer, dealer, or agent of the manufacturer or importer, or that is so used as to have become which is commonly known as a secondhand or previously owned motor vehicle. In the event of a transfer reflected on the statement of origin (MSO) from the original franchise dealer to any other dealer, individual, or corporation other than a franchise dealer of the same make of vehicle, the vehicle shall be considered a used motor vehicle.

In witness whereof, we have hereunto set out hands this 30<sup>th</sup> day of OCT 1997.



RICHARD A. WEISS, Director  
Department of Finance & Administration



TIM LEATHERS, Commissioner of Revenue  
Department of Finance & Administration

DEPARTMENT: Department of Finance and Administration  
DIVISION: Revenue Division  
PERSON COMPLETING  
THIS STATEMENT: Ed Hicks, Excise Tax Administrator  
TELEPHONE NO.: (501) 682-7200  
FAX NO.: (501) 682-7900

FILED  
RECEIVED DIV.  
97 NOV -4 PM 1:55  
SHARON PRIEST  
SECRETARY OF STATE  
STATE OF ARKANSAS  
BY \_\_\_\_\_

FINANCIAL IMPACT STATEMENT

To comply with Act 884 of 1995, please complete the following Financial Impact Statement and file with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE: **Gross Receipts Regulation -- GR-12 ( Used Motor Vehicles  
Registered By Vehicle Dealers.**

1. Does this proposed, amended, or repealed rule or regulation have a financial impact?  
Yes: No: **XX**
2. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.
3. If the purpose of this rule or regulation is to implement a federal rule or regulation, please give the incremental cost for implementing the regulation. **Does Not Apply**

1995-96 Fiscal Year

General Revenue: \_\_\_\_\_  
Federal Funds: \_\_\_\_\_  
Cash Funds: \_\_\_\_\_  
Special Revenue: \_\_\_\_\_  
Other: \_\_\_\_\_  
Total: \_\_\_\_\_

1996-97 Fiscal Year

General Revenue: \_\_\_\_\_  
Federal Funds: \_\_\_\_\_  
Cash Funds: \_\_\_\_\_  
Special Revenue: \_\_\_\_\_  
Other: \_\_\_\_\_  
Total: \_\_\_\_\_

**Does Not Apply**

**Does Not Apply**

4. What is the total estimated cost by fiscal year to any party subject to the, proposed, amended, or repealed rule or regulation? **None**

1997-98 Fiscal Year

**None**

1998-99 Fiscal Year

**None**

5. What is the total estimated cost by fiscal year to the agency to implement this regulation?

1997-98 Fiscal Year

**No additional cost**

1998-99 Fiscal Year

**No additional cost**