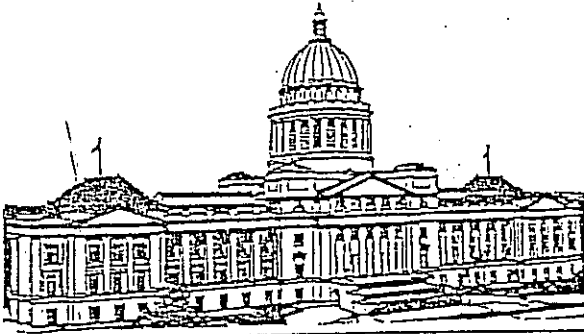


# ARKANSAS REGISTER

## Transmittal Sheet



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

For Office Use Only: Effective Date 4/4/98 Code Number 106.05.98--007

Name of Agency Department of Finance & Administration

Department Revenue Division

Contact Person Don Zern Phone 682-7751

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

	Date
Intended Effective Date	Legal Notice Published . . . . . <u>1/26/98</u>
<input type="checkbox"/> Emergency	Final Date for Public Comment . . . . . <u>3/13/98</u>
<input checked="" type="checkbox"/> 10 Days After Filing	Filed With Legislative Council . . . . . <u>Yes</u>
<input type="checkbox"/> Other	Reviewed by Legislative Council . . . . . <u>Yes</u>
	Adopted by State Agency . . . . . <u>3/24/98</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  
Information Officer  
Title  
March 25, 1998  
Date

FILED  
AR. REGISTER DIV.  
98 MAR 25 PM 12:26  
SECRETARY OF STATE  
STATE OF ARKANSAS

GR-13

Arkansas Gross Receipts Tax Regulation GR-13 is hereby amended to read as follows:


"SPECIAL RULES FOR NEW AND USED MOTOR VEHICLE, TRAILER AND SEMI-TRAILER DEALERS:

1. New and used car dealers shall be entitled to purchase parts and accessories exempt as sales for resale if the dealer is in the business of using the parts for reconditioning or rebuilding dealer-owned motor vehicles for subsequent sale. The dealer must hold a retail sales tax permit. The separate sale of parts or accessories by the dealer to consumers is subject to tax and shall be collected and reported by the dealer.

2. New and used car dealers shall be entitled to purchase services performed on dealer-owned vehicles exempt as a sale for resale if the dealer is purchasing the services solely and exclusively to prepare the vehicle for sale and the service enhances the value of the vehicle. For example, the repairing of windshields, dents, scratches, radiators, engines and car detailing would be exempt as a sale for resale if the service enhanced the value of the vehicle. The sale for resale exemption is available only for services performed on vehicles held for resale. All other services performed for the dealership will remain taxable.

3. Car dealers which are purchasing parts, accessories or services as a sale for resale must satisfy the requirements found in Regulation 53."

APPROVED:

  
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RICHARD A. WEISS, Director  
Department of Finance and Administration

  
\_\_\_\_\_  
TIMOTHY J. LEATHERS,  
Deputy Director/Commissioner  
of Revenue

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