

93rd Arkansas General Assembly/Gross Receipts Tax: Proposed Exemption for Qualifying Solar Equipment



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The 93rd Arkansas General Assembly convened for regular session on January 11th.

House Bill 1628 ("H.B. 1628") has been introduced to provide an exemption from the Arkansas Gross Receipts tax for qualifying solar equipment.

H.B. 1628 is cosponsored by the following Representatives:

- Ashley Hudson (Little Rock)
- Denise Jones Ennett (Little Rock)
- Joe Jett (Success)

The bill would add an additional section to Arkansas Code Title 26, Chapter 52, Subchapter 4 (Exemptions).

Proposed Ark. Code Ann. § 26-52-453 (Manufacturing equipment for solar energy production) would provide definitions for:

- qualifying solar equipment

This definition requires such equipment to be designed to:

- Capture and store solar energy and convert it to electricity; and
- Produce up to a maximum peak output of twenty megawatts alternating current of electricity; and
- Purchased to be used for any purpose by a:
 - Business entity;
 - Municipality, county, or other political subdivision;
 - School district, state agency, or public institution of higher education; or
 - Person or corporation, including without limitation its lessees, trustees, and receivers, who own or operate in this state equipment or facilities for:
 - Producing, generating, transmitting, delivering, or furnishing gas, electricity, steam, or another agent for the production of light, heat, or power to or for the public for compensation; or
 - Diverting, developing, pumping, impounding, distributing, or furnishing water to or for the public for compensation

Such qualifying solar equipment would include (without limitation):

- Solar modules
- Inverters
- Wiring
- Racking
- Tracking equipment
- Batteries
- Other components of the equipment

H.B.1628 has been referred to the House Revenue and Taxation Committee.

A copy of the bill can be downloaded [here](#).