

Water Utilized by Poultry Farms/92nd Arkansas General Assembly: House Bill 1539 Provides Sales/Use Tax Exemption



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House Bill 1539 (“HB 1539”) has been introduced which would provide a sales and use tax exemption for water utilized by a poultry farm.

The bill was introduced by Representatives Rick Beck (Center Ridge) and Craig Christiansen (Bald Knob).

HB 1539 defines a poultry farm as a:

... facility used for the commercial production of poultry, including without limitation a broiler or turkey grow-out house, laying house, hatching unit, nursery unit, and breeding house.

The bill further provides in part that water sold for any other purpose other than the purpose stated in subdivision (b) (1) (i.e., water used exclusively in the operation of a poultry farm) is subject to the full gross receipts tax and full compensating use tax.

Water subject to the exemption is required to be separately metered from water used for any other purpose by the taxpayer.

HB 1539 has been referred to the House Revenue and Taxation Committee.

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