

1 State of Arkansas  
2 93rd General Assembly  
3 Regular Session, 2021  
4

# A Bill

HOUSE BILL 1026

5 By: Representatives Cavanaugh, Barker, M. Davis, M. Gray, Vaught  
6 By: Senator B. Johnson  
7

## For An Act To Be Entitled

9 AN ACT TO CLARIFY THE SALES AND USE TAX EXEMPTION FOR  
10 FIRE PROTECTION EQUIPMENT AND EMERGENCY EQUIPMENT FOR  
11 A VOLUNTEER FIRE DEPARTMENT; TO CLARIFY THAT CERTAIN  
12 APPEARANCE FEES ARE NOT CONSIDERED COMPENSATION FOR  
13 THE PURPOSE OF DETERMINING WHETHER A FIRE DEPARTMENT  
14 IS ELIGIBLE FOR THE SALES AND USE TAX EXEMPTION FOR  
15 FIRE PROTECTION EQUIPMENT AND EMERGENCY EQUIPMENT FOR  
16 A VOLUNTEER FIRE DEPARTMENT; AND FOR OTHER PURPOSES.  
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## Subtitle

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20 TO CLARIFY THAT CERTAIN APPEARANCE FEES  
21 ARE NOT COMPENSATION FOR THE PURPOSE OF  
22 DETERMINING ELIGIBILITY FOR THE SALES AND  
23 USE TAX EXEMPTION FOR FIRE PROTECTION  
24 EQUIPMENT AND EMERGENCY EQUIPMENT.  
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27 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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29 SECTION 1. Arkansas Code § 26-52-434, concerning the sales tax  
30 exemption for fire protection equipment and emergency equipment, is amended  
31 to add an additional subsection to read as follows:

32 (c)(1) The receipt of an appearance fee of fifty dollars (\$50.00) or  
33 less by a volunteer fire fighter is not compensation for purposes of  
34 determining whether a fire department is a volunteer fire department under  
35 this section.

36 (2) As used in this subsection, "appearance fee" means moneys



1 received by a volunteer fire fighter for training, practice, or the  
2 reimbursement of expenses associated with responding to a fire.

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4 SECTION 2. Arkansas Code § 26-53-142, concerning the use tax exemption  
5 for fire protection equipment and emergency equipment, is amended to add an  
6 additional subsection to read as follows:

7 (c)(1) The receipt of an appearance fee of fifty dollars (\$50.00) or  
8 less by a volunteer fire fighter is not compensation for purposes of  
9 determining whether a fire department is a volunteer fire department under  
10 this section.

11 (2) As used in this subsection, "appearance fee" means moneys  
12 received by a volunteer fire fighter for training, practice, or the  
13 reimbursement of expenses associated with responding to a fire.

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15 SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective  
16 on the first day of the calendar quarter following the effective date of this  
17 act.