

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.  
Act 795 of the Regular Session

1 State of Arkansas  
2 87th General Assembly  
3 Regular Session, 2009

# A Bill

HOUSE BILL 2076

4  
5 By: Representative Webb  
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7

## For An Act To Be Entitled

8  
9 AN ACT TO AMEND THE NONPROFIT INCENTIVE ACT TO  
10 SPECIFY THAT THE NONPROFIT CORPORATION BE A (501)(c)  
11 ORGANIZATION; TO CHANGE THE PAYROLL THRESHOLD FOR  
12 QUALIFICATION; TO CHANGE THE INVESTMENT THRESHOLD FOR  
13 QUALIFICATION; AND FOR OTHER PURPOSES.  
14

## Subtitle

15  
16 AN ACT TO AMEND THE NONPROFIT INCENTIVE  
17 ACT OF 2007.  
18  
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
21

22 SECTION 1. Arkansas Code § 15-4-3103(7), concerning definitions under  
23 the Nonprofit Incentive Act of 2005, is amended to read as follows:

24 (7) "Nonprofit organization" means an entity that has filed required  
25 documents with and been approved by the Secretary of State as having met the  
26 qualifications for a nonprofit organization in Arkansas and that also has  
27 received a § 501(c)(3), § 501(c)(6), or § 502(c)(9) designation from the  
28 Internal Revenue Service prior to applying for the benefits afforded under  
29 this subchapter;  
30

31 SECTION 2. Arkansas Code § 15-4-3104(a), concerning eligibility for  
32 benefits under the Nonprofit Incentive Act of 2005, is amended to read as  
33 follows:

34 (a) ~~Only those~~ A nonprofit organization ~~organization~~ that ~~have~~ has a  
35 payroll of new full-time permanent employees in excess of ~~one million dollars~~



1 ~~(\$1,000,000)~~ five hundred thousand dollars (\$500,000) annually may apply for  
 2 and receive any benefits authorized by this subchapter.

3  
 4 SECTION 3. Arkansas Code § 15-4-3105(b)(2), concerning a sales and use  
 5 tax refund under the Nonprofit Incentive Act of 2005, is amended to read as  
 6 follows:

7 (2) To qualify for the sales and use tax refund ~~authorized by~~  
 8 under this section, a qualified nonprofit organization shall spend in excess  
 9 of ~~five hundred thousand dollars (\$500,000)~~ two hundred fifty thousand  
 10 (\$250,000) on buildings, machinery, and equipment in the new or improved  
 11 facility.

12  
 13 SECTION 4. Arkansas Code § 15-4-3106(d)(3)-(6), concerning the payroll  
 14 rebate under the Nonprofit Incentive Act of 2005, is amended to read as  
 15 follows:

16 (3) The requisite annual payroll of ~~one million dollars~~  
 17 ~~(\$1,000,000)~~ five hundred thousand dollars (\$500,000) shall be reached within  
 18 twenty-four (24) months of the signing of the financial incentive agreement  
 19 for the benefits of this section to be approved.

20 (4) If the Director of the Arkansas Economic Development  
 21 Commission and the Director of the Department of Finance and Administration  
 22 find that the nonprofit organization has presented compelling reasons for an  
 23 extension of time, the Director of the Arkansas Economic Development  
 24 Commission may grant an extension of time not to exceed twenty-four (24)  
 25 months to reach the requisite annual payroll of ~~one million dollars~~  
 26 ~~(\$1,000,000)~~ five hundred thousand dollars (\$500,000).

27 (5) In addition to having an annual payroll of ~~one million~~  
 28 ~~dollars (\$1,000,000)~~ five hundred thousand dollars (\$500,000) or more, the  
 29 nonprofit organization applying for benefits under this subchapter shall pay  
 30 average hourly wages in excess of one hundred ten percent (110%) of the  
 31 lesser of the state or county average wage for the county in which the  
 32 organization locates or expands.

33 (6) Payments to ~~nonprofit organizations~~ a nonprofit organization  
 34 with an annual payroll in excess of ~~one million dollars (\$1,000,000)~~ five  
 35 hundred thousand dollars (\$500,000) shall be considered and may be authorized  
 36 by the Director of the Arkansas Economic Development Commission, after the

1 Director of the Arkansas Economic Development Commission has signed a  
2 financial incentive agreement with the nonprofit organization, in the amount  
3 of four percent (4%) of the annual payroll of the new full-time permanent  
4 employees.

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**APPROVED: 4/3/2009**