1	State of Arkansas	*As Engrossed: H3/11/21*
2	93rd General Assembly	A Bill
3	Regular Session, 2021	HOUSE BILL 1513

4

5   By: Representative Eubanks

6   By: Senator J. Dismang

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8   **For An Act To Be Entitled**

9   AN ACT TO CREATE AN INCOME TAX CREDIT FOR RETIRED LAW

10   ENFORCEMENT OFFICERS WHO WORK COLD CASES FOR THE

11   DIVISION OF ARKANSAS STATE POLICE; AND FOR OTHER

12   PURPOSES.

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15   **Subtitle**

16   TO CREATE AN INCOME TAX CREDIT FOR

17   RETIRED LAW ENFORCEMENT OFFICERS WHO WORK

18   COLD CASES FOR THE DIVISION OF ARKANSAS

19   STATE POLICE.

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22   BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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24   *SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 5, is*

25   *amended to add an additional section to read as follows:*

26   *26-51-515. Work on cold cases by retired law enforcement officers.*

27   *(a)(1) Subject to the restrictions stated in this section, there is*

28   *allowed an income tax credit against the income tax imposed under this*

29   *chapter for up to three thousand five hundred dollars ($3,500) for work*

30   *performed by the taxpayer on behalf of the Division of Arkansas State Police*

31   *to investigate one (1) or more cold cases.*

32   *(2)(A) A taxpayer who works at least one thousand (1,000) hours*

33   *investigating one (1) or more cold cases on behalf of the division during the*

34   *tax year may claim the full amount of the credit allowed under subdivision*

35   *(a)(1) of this section.*

36   *(B) A taxpayer who works less than one thousand (1,000)*

1   *hours investigating one (1) or more cold cases on behalf of the division*

2   *during the tax year may claim a pro rata share of the credit allowed under*

3   *subdivision (a)(1) of this section based on the number of hours the taxpayer*

4   *worked investigating one (1) or more cold cases on behalf of the division*

5   *during the tax year compared to one thousand (1,000) hours.*

6   *(b) At the discretion of the division, an individual may work as a:*

7   *(1)(A) Volunteer to investigate one (1) or more cold cases on*

8   *behalf of the division.*

9   *(B) An individual who works as a volunteer under this*

10 *subsection is not an employee of the division, and the only benefit accruing*

11 *to the individual is the tax credit allowed under this section; or*

12 *(2) Temporary or part-time employee of the division for an*

13 *hourly rate determined by the division, not to exceed the rates of pay*

14 *provided in the Uniform Classification and Compensation Act, § 21-5-201 et*

15 *seq.*

16 *(c) The amount of the income tax credit under this section that may be*

17 *claimed by the taxpayer in a tax year shall not exceed the amount of income*

18 *tax due by the taxpayer.*

19 *(d) Any unused income tax credit under this section may be carried*

20 *forward for two (2) consecutive tax years following the tax year in which the*

21 *income tax credit was earned.*

22 *(e)(1) To be eligible to claim a tax credit under this section, a*

23 *taxpayer shall:*

24 *(A) Be a retired law enforcement officer; and*

25 *(B) Apply to the division for an eligibility certificate,*

26 *which shall be attached to the taxpayer's return for the tax year in which*

27 *the tax credit is claimed.*

28 *(2) The division shall maintain an ongoing record of the*

29 *eligibility certificates awarded under this section each fiscal year.*

30 *(3) The division shall issue eligibility certificates for the*

31 *number of hours worked by each taxpayer for the tax credit allowed under this*

32 *section only up to a total of twenty-five thousand dollars ($25,000) for all*

33 *taxpayers in each fiscal year on a first-come, first-served basis.*

34 *(f) The Director of the Division of Arkansas State Police shall:*

35 *(1) Promulgate rules to implement this section; and*

36 *(2) Consult with the Department of Finance and Administration in*

1   *promulgating rules under this section.*

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3   SECTION 2.   EFFECTIVE DATE.   Section 1 of this act is effective for tax

4   years beginning on or after January 1, 2022.

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6   SECTION 3.   DO NOT CODIFY.   Rules.

7   (a)   When adopting the initial rules required under this act, the

8   Director of the Division of Arkansas State Police shall file the final rules

9   with the Secretary of State for adoption under § 25-15-204(f):

10   (1)   On or before January 1, 2022; or

11   (2)   If approval under § 10-3-309 has not occurred by January 1,

12   2022, as soon as practicable after approval under § 10-3-309.

13   (b)   The director shall file the proposed rules with the Legislative

14   Council under § 10-3-309(c) sufficiently in advance of January 1, 2022, so

15   that the Legislative Council may consider the rules for approval before

16   January 1, 2022.

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18   */s/Eubanks*

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21   **APPROVED: 4/22/21**

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