

ARKANSAS SENATE
84th General Assembly - Regular Session, 2003
Amendment Form

Subtitle of Senate Bill No. 955

"AN ACT TO AMEND ACT 182 OF 2003 TO PROVIDE THAT BOTH FOR PROFIT AND
NOT-FOR-PROFIT BUSINESSES QUALIFY FOR ECONOMIC DEVELOPMENT
INCENTIVES."

Amendment No. 1 to Senate Bill No. 955.

Amend Senate Bill No. 955 as originally introduced:

Page 1, delete lines 23 through 25 and substitute the following:

"SECTION 1. Arkansas Code § 15-4-2703(1), as added by Act 182 of 2003,
is amended to read as follows:

(10) "Eligible businesses" means non-retail businesses engaged in
commerce for profit or not for profit that meet the eligibility requirements
for the applicable incentive offered by this subchapter, and fall into one
(1) or more of the following categories:

(A) Manufacturers classified in sectors 31-33 in the North
American Industrial Classification System, as in effect January 1, 2003;

(B)(i) Businesses primarily engaged in the design and
development of prepackaged software, digital content production and
preservation, computer processing and data preparation services, or
information retrieval services.

(ii) All businesses in this group shall derive at least
seventy-five percent (75%) of their revenue from out-of-state sales;

(C)(i) Businesses primarily engaged in motion picture
productions.

(ii) All businesses in this group shall derive at least
seventy-five percent (75%) of their revenue from out-of-state sales;

(D) A distribution center;

(E) An office sector business;

(F) A national or regional corporate headquarters;

(G) Firms primarily engaged in commercial, physical and
biological research as classified in the North American Industrial
Classification System, as in effect January 1, 2003; and

(H)(i) Scientific and technical services business.

(ii)(a) All businesses in this group shall derive at least
seventy-five percent (75%) of their revenue from out-of-state sales; and

(b) The average hourly wages paid by businesses in
this group shall exceed one hundred fifty percent (150%) of the county or



state average hourly wage, whichever is less;

SECTION 2. Arkansas Code § 15-4-2703(21), as added by Act 182 of 2003, is amended to read as follows:

(21) “Non-retail business” means a for profit business that derives less than ten percent (10%) of its total Arkansas revenue from sales to the general public or a not-for-profit business that derives less than ten percent (10%) of its total revenue from sales to the general public;

SECTION 3. Arkansas Code § 15-4-2703, as added by Act 182 of 2003, is amended to add an additional subdivision to read as follows:

(39)(A) “Not-for-profit business” means non-retail businesses engaged in commerce not-for-profit.

(B) Businesses in this group may not be hospitals, public or private school, colleges, or universities, or churches or institutions that regularly conduct religious services for the general public on the premises;

(C) All businesses in this group must derive at least seventy-five percent (75%) of their revenue from out-of-state sales and contributions; and

(D) Businesses in this group are only eligible for the sales and use tax refunds under § 15-4-2706(d) and shall not be eligible for the other benefits authorized under this subchapter, nor shall any business transfer or sell any benefit authorized under this subchapter to any other taxpayer.

SECTION 4. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that existing Arkansas not-for-profit businesses must remain competitive in today’s global economy; that the tax incentive provided by this act is necessary to provide not-for-profit businesses with the incentive to invest in Arkansas and hire Arkansans; that other states compete with Arkansas for the location or expansion of not-for-profit business activity and this incentive is also necessary to offer the companies a business environment compatible with other states; that without this incentive, not-for-profit companies considering locations or expansions of their businesses may choose to locate in another state, depriving Arkansans of these jobs and the economic benefit that the jobs bring to the state; that the immediate effectiveness of this is essential to the economic incentives provided in this act. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, it shall become effective on the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, it shall become effective on the date the last house overrides the veto.”

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Steele

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Secretary