

ARKANSAS SENATE
86th General Assembly - Regular Session, 2007
Amendment Form

Subtitle of Senate Bill No. 946

"TO AMEND THE TAX PROCEDURE ACT TO ALLOW TAXPAYERS TO FILE AMENDED
RETURNS AND REFUNDS UNTIL THE STATUTE OF LIMITATIONS EXPIRES FOR THE
DIRECTOR AND TO CLARIFY THAT TAXPAYERS MAY SEEK JUDICIAL RELIEF UPON
A FINDING OF A CREDIT OWING."

Amendment No. 1 to Senate Bill No. 946.

Amend Senate Bill No. 946 as originally introduced:

Immediately following the Enacting Clause, add an additional section to read as follows:

"SECTION 1. The General Assembly has determined that:

(a) Prior to the enactment of Act 785 of 1993 a taxpayer could claim a refund of any overpayment of state tax within a specified number of years or "as long as the statute of limitations for assessment is still open to the director";

(b) Section 1 of Act 785 of 1993 inadvertently deleted the language that arguably allowed a taxpayer that filed a return the same statute of limitations as the state and thereby gave the state an unfair advantage over a taxpayer that filed a return by permitting the state to retain an overpayment of tax that should have been refunded to the taxpayer that filed the return;

(c) Section 1 of Act 785 of 1993 was intended to apply only to a taxpayer that had not filed a return or that had underreported the taxpayer's income by twenty-five percent (25%) or more;

(d) Fundamental fairness dictates that the statute of limitations should be the same for the state and the taxpayer that filed a return;

(e) While the state law should be designed to fairly collect taxes it should not give the state the upper hand to retain an overpayment from a taxpayer that filed a return; and

(f) This act will clarify the intent of the General Assembly to provide equal treatment between taxpayers that filed a return and the state."

AND

Immediately following SECTION 4, add an additional section to read as follows:

"SECTION 6. Sections 1 - 5 of this act shall be effective retroactive



to tax year 1993 and all succeeding tax years."

AND

Appropriately renumber the sections of the bill.

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

By: Senator Trusty

MMC/RCK - 03-19-2007 15:24

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Secretary