

Department of Finance and Administration

Legislative Impact Statement

Bill: SB570

Bill Subtitle: TO AMEND THE ARKANSAS HISTORIC REHABILITATION INCOME TAX CREDIT ACT; TO EXTEND THE EFFECTIVENESS OF THE ARKANSAS HISTORIC REHABILITATION INCOME TAX CREDIT ACT; AND TO DECLARE AN EMERGENCY.

Basic Change : Sponsor: Senator B. Sample

This bill amends the Arkansas Historic Rehabilitation Income Tax Credit Act by clarifying the meaning of certified rehabilitation, adding language that a credit is allowed only one (1) time in a 24 month period for each eligible property, and provides that the Act expires December 31, 2027. An emergency clause is provided in the bill.

Revenue Impact :

None.

Taxpayer Impact :

No additional credits will be available to taxpayers after December 31, 2027. Taxpayers claiming the Arkansas Historic Rehabilitation Income Tax Credit are allowed to claim the credit on each eligible property once in a 24 month period.

Resources Required :

None.

Time Required :

Adequate time is provided.

Procedural Changes :

Tax forms and instruction booklets will need to be updated. Employees will need to be educated as well as the tax community.

Other Comments :

None.

Legal Analysis :

SB570 adds additional language to the definition of "certified rehabilitation" for purposes of the Arkansas Historic Rehabilitation Income Tax Credit. This nonrefundable income tax credit currently sunsets and expires on December 31, 2021. The bill extends the sunset provision to December 31, 2027. The bill has a standard Emergency Clause under which it will come into effect upon its approval by the Governor.