

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Senator Pagan**

A Bill

SENATE BILL

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 26-51-205 TO INCREASE THE
9 INCOME TAX RATE ON CORPORATIONS; TO PROVIDE FOR CERTAIN
10 INDIVIDUALS TO CLAIM A TAX REBATE FOR GROSS RECEIPTS TAXES
11 ON FOOD; AND FOR OTHER PURPOSES."

12
13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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15 SECTION 1. Arkansas Code 26-51-205 is hereby amended to read as
16 follows:

17 "26-51-205. Corporations.

18 (a) Every corporation organized under the laws of this state shall pay
19 annually an income tax with respect to carrying on or doing business on the
20 entire net income of the corporation, as now defined by the laws of the State
21 of Arkansas, received by such corporation during the income year, on the
22 following basis:

23 (1) On the first \$3,000 of net income or any part thereof
24 1 percent

25 On the second \$3,000 net income or any part thereof 2
26 percent

27 On the next \$5,000 of net income or any part thereof 3
28 percent

29 On the next \$14,000 of net income or any part thereof
30 5 percent

31 On the next \$75,000 of net income or any part thereof, but not exceeding
32 \$100,000 - (6%) six percent

33 (2) On net income exceeding \$100,000, a flat rate of seven
34 percent (7%) shall be applied to the entire net income.

35 (b) Every foreign corporation doing business within the jurisdiction of

1 this state shall pay annually an income tax on the proportion of its entire
2 net income as now determined by the income tax laws of Arkansas, on the
3 following basis:

4 (1) On the first \$3,000 of net income or any part thereof..... 1
5 percent

6 On the second \$3,000 of net income or any part
7 thereof..... 2 percent

8 On the next \$5,000 of net income or any part
9 thereof..... 3 percent

10 On the next \$14,000 of net income or any part
11 thereof..... 5 percent

12 On the next \$75,000 of net income or any part thereof, but not
13 exceeding \$100,000 - six percent (6%)

14 (2) On net income exceeding \$100,000, a flat rate of seven
15 percent (7%) shall be applied to the entire net income."

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17 SECTION 2. (a) As used in this section, "Income" means gross income as
18 defined in the Arkansas Income Tax Act, as amended, §26-51-101 et seq., and
19 shall also include the following: alimony, support money, cash public
20 assistance and relief, the gross amount of any pension or annuity, including
21 all monetary retirement benefits from whatever source derived including but
22 not limited to railroad retirement benefits, all payments received under the
23 federal Social Security Act, veterans' disability pensions, all dividends and
24 interest from whatever source derived not included in gross income, workers'
25 compensation, and the gross amount of "loss of time insurance" but does not
26 include surplus food or other relief in kind supplied by a governmental
27 agency.

28 (b) Except as provided otherwise in this section, any resident who is
29 not a dependent of another individual may file a claim for a tax rebate for a
30 portion of gross receipts taxes on food purchases to which the resident has
31 been subject during the calendar year for which the claim is filed. The tax
32 rebate provided in this section may be claimed in the amount shown in the
33 appropriate tables in subsection (c) of this section.

34 (c) The tax rebate shall be at the following amount based upon the
35 family size and income of the taxpayer:

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INCOME RANGE		FAMILY SIZE/DOLLAR AMOUNT					
		1	2	3	4	5	over 5
4	LESS THAN \$10,000	\$50	\$60	\$66	\$69	\$72	\$75
5	AT LEAST	BUT LESS THAN					
6	\$10,000	\$15,000	40	48	53	56	59
7	\$15,000	\$20,000	30	36	40	42	44

8 (d) No claim for the tax rebate provided for in this act shall be filed
9 by a resident who was an inmate of a public institution for more than six (6)
10 months during the calendar year for which the tax rebate could be claimed or
11 who was not physically present in Arkansas for at least six (6) months during
12 the calendar year for which the tax rebate could be claimed.

13 (e) For the purposes of this section, "dependent" means "dependent" as
14 defined by Section 152 of the Internal Revenue Code, as that section may be
15 amended or renumbered, but also includes any minor child or stepchild of the
16 resident who would be a dependent for federal income tax purposes if the
17 public assistance contributing to the support of the child or stepchild was
18 considered to have been contributed by the resident.

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20 SECTION 3. (a) Any person desiring to file a claim for a cash rebate
21 under the provisions of this act shall file the claim with the Department of
22 Finance and Administration on forms prescribed by the department and shall
23 furnish such information to substantiate the claim as is provided in this act,
24 or as may be prescribed by regulation of the Department of Finance and
25 Administration.

26 (b) Claims under this act shall be filed on or before May 15 of the
27 year next following the calendar year used as a basis for the claim.

28 (c) All claims filed under the provisions of this act shall be made
29 upon forms prescribed and furnished by the Department of Finance and
30 Administration, and all forms shall include appropriate instructions to
31 persons for filing a claim under this act.

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33 SECTION 4. (a) The Department of Finance and Administration shall
34 either approve or deny every claim filed under this act, either in the amount
35 claimed or in an amount determined by the department, within ninety (90) days

1 after the date the claims are filed.

2 (b)(1) If the department denies the claim of any claimant or reduces
3 the amount claimed, it shall so notify the claimant and the claimant may
4 request a reconsideration of the claim by the department by filing a written
5 request for reconsideration at any time within thirty (30) days after receipt
6 of the notice of the decision of the department.

7 (2) Upon receipt of the request for reconsideration of a claim,
8 the department shall reconsider the claim and notify the claimant of its final
9 decision within thirty (30) days after the receipt of the request.

10 (c) If the claimant is dissatisfied with the final ruling of the
11 department regarding his claim, he may appeal the decision to the Pulaski
12 County Chancery Court or the chancery court of the county in which he resides
13 in the manner and within the time prescribed for appeals from other
14 administrative decisions of the Director of the Department of Finance and
15 Administration.

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17 SECTION 5. This act shall be effective for calendar years beginning on
18 and after January 1, 1991.

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20 SECTION 6. The Director of the Department of Finance and Administration
21 may promulgate such rules and regulations as are necessary for the enforcement
22 of this act.

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24 SECTION 7. All provisions of this act of a general and permanent nature
25 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
26 Revision Commission shall incorporate the same in the Code.

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28 SECTION 8. If any provision of this act or the application thereof to
29 any person or circumstance is held invalid, such invalidity shall not affect
30 other provisions or applications of the act which can be given effect without
31 the invalid provision or application, and to this end the provisions of this
32 act are declared to be severable.

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34 SECTION 9. All laws and parts of laws in conflict with this act are
35 hereby repealed.

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