

1 **State of Arkansas**  
2 **79th General Assembly**  
3 **Regular Session, 1993**  
4 **By: Representative Cunningham**

# A Bill

**HOUSE BILL**

## For An Act To Be Entitled

8 "AN ACT TO PROVIDE ENHANCED INCOME TAX CREDITS TO  
9 QUALIFIED TAXPAYERS WHO INCUR CHILD CARE EXPENSES AT  
10 APPROVED CHILD CARE FACILITIES; TO REQUIRE CERTIFICATION  
11 OF APPROVED CHILD CARE FACILITIES; AND FOR OTHER  
12 PURPOSES."

## Subtitle

14 "TO PROVIDE ENHANCED INCOME TAX CREDITS TO TAXPAYERS  
15 INCURRING CHILD CARE EXPENSES AT APPROVED CHILD CARE  
16 FACILITIES."  
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18  
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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21 SECTION 1. ARK. CODE ANN. § 26-51-502 is amended by adding a new  
22 subsection to read as follows:

23 "(c)(1) A credit, which is equal to fifteen percent (15%) of the  
24 federal earned income credit as allowed under Section 32 of the Internal  
25 Revenue Code, as in effect January 1, 1993, shall be allowed to qualified  
26 individuals against the income tax imposed by the Arkansas Income Tax Act, as  
27 amended, Ark. Code Ann. § 26-51-101 et seq.

28 (2) A qualified individual is a taxpayer who has a dependent  
29 child with respect to whom the taxpayer is entitled to a credit under Ark.  
30 Code Ann. § 26-51-501(3); who incurs child care expenses necessary for gainful  
31 employment at an approved child care facility, as defined in this Act; and who  
32 is an eligible individual within the meaning of Section 32(c) of the Internal  
33 Revenue Code, as in effect January 1, 1993.

34 (3) An approved child care facility is a child care facility  
35 which provides an "appropriate early childhood program", as defined in Ark.

1 Code Ann. § 6-45-103(3).

2 (4) This credit is in addition to the credit allowed in Ark. Code  
3 Ann. § 26-51-502(a) and (b)."

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5 SECTION 2. The Department of Education shall certify child care  
6 facilities which have an "appropriate early childhood program", as defined in  
7 Ark. Code Ann. § 6-45-103(2). Upon certification thereof, the Department of  
8 Education shall provide a listing of all certified facilities to the Director  
9 of the Department of Finance and Administration. Permit numbers will be  
10 issued by the Department of Education to those child care facilities which  
11 meet the applicable qualifications of Ark. Code Ann. § 6-45-103(2). Taxpayers  
12 shall provide all information required on forms as determined by the Director.

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14 SECTION 3. Effective Date. This Act shall be effective for taxable  
15 years beginning January 1, 1993.

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17 SECTION 4. All provisions of this act of a general and permanent nature  
18 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
19 Revision Commission shall incorporate the same in the Code.

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21 SECTION 5. If any provision of this act or the application thereof to  
22 any person or circumstance is held invalid, such invalidity shall not affect  
23 other provisions or applications of the act which can be given effect without  
24 the invalid provision or application, and to this end the provisions of this  
25 act are declared to be severable.

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27 SECTION 6. All laws and parts of laws in conflict with this act are  
28 hereby repealed.

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