

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003

A Bill

SENATE BILL 705

4
5 By: Senator Whitaker
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For An Act To Be Entitled

9 AN ACT TO PROVIDE ECONOMIC STIMULUS TO THE GRAPE
10 GROWERS AND WINE PRODUCERS IN THE STATE BY
11 PROVIDING A TAX CREDIT TO THOSE THAT PURCHASE
12 EQUIPMENT AND MATERIALS AND PARTICIPATE IN
13 RESEARCH; AND FOR OTHER PURPOSES.
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Subtitle

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17 TO PROVIDE ECONOMIC STIMULUS TO THE
18 GRAPE GROWERS AND WINE PRODUCERS IN THE
19 STATE.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 5 is amended
25 to add an additional section to read as follows:

26 26-51-511. Tax credit for grape growers and wine producers who
27 participate in research.

28 (a) A taxpayer may apply for a certificate of tax credit approval
29 against the income tax imposed by the Income Tax Act of 1929, § 26-51-101 et
30 seq., in an amount as determined in subsection (b) of this section for the
31 cost of the equipment or materials used directly in the growing of grapes or
32 the producing of wine in the state.

33 (b)(1) A taxpayer may apply for a certificate of tax credit approval
34 from the Director of the Department of Finance and Administration to receive
35 a credit in an amount not to exceed fifty percent (50%) of the cost of the
36 equipment or materials.



1 (2) The director shall grant the application for certificate of
2 tax credit approval under this section if the following requirements are met:

3 (A) The applicant owns a vineyard in this state and allows
4 the agriculture department or division of a state funded four-year university
5 in this state to conduct research on the vineyard property; and

6 (B) The equipment or materials that form the basis of the
7 application were purchased on or after January 1, 2003.

8 (3) The credit shall expire after five (5) tax years following
9 the tax year for which the tax credit was granted.

10 (4) The credit shall not be transferred or sold.

11 (c) The Department of Finance and Administration shall promulgate the
12 rules and regulations necessary to administer this section, including the
13 application form for the credit and the procedure governing the award of the
14 credit.

15 (d) At the election of the taxpayer, the credit may be treated as:

16 (1) Payment of a tax;

17 (2) Prepayment of a tax; or

18 (3) Prepayment of an estimated tax.

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20 SECTION 2. This act shall apply to tax years beginning on or after
21 January 1, 2003.
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