

1 INTERIM STUDY PROPOSAL 2021-032

2 State of Arkansas *As Engrossed: S2/23/21 S3/3/21 S3/11/21 S3/15/21*

3 93rd General Assembly

A Bill

4 Regular Session, 2021

SENATE BILL 304

5
6 *By: Senators Rapert, K. Hammer, B. Johnson, M. Johnson*

7 *By: Representatives Slape, M. Berry, Jett, Bentley, Jean, McClure, S. Smith, Christiansen, Hollowell, D.*

8 *Garner, Fortner, M. McElroy, McNair, Milligan, Crawford, Watson, C. Cooper*

9 *Filed with: Senate Committee on Revenue and Taxation*

10 *pursuant to A.C.A. §10-3-217.*

For An Act To Be Entitled

11 AN ACT TO CREATE AN INCOME TAX CREDIT FOR CERTAIN
12 FULL-TIME LAW ENFORCEMENT OFFICERS; AND FOR OTHER
13 PURPOSES.
14

Subtitle

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17 TO CREATE AN INCOME TAX CREDIT FOR
18 CERTAIN FULL-TIME LAW ENFORCEMENT
19 OFFICERS.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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25 SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 5, is
26 amended to add an additional section to read as follows:

27 26-51-515. Full-time law enforcement officer tax credit.

28 (a) As used in this section:

29 (1) "Full-time law enforcement officer" means a law enforcement
30 officer who:

31 (A) Is employed by and receives a salary authorized by a
32 law enforcement agency;

33 (B) Has the statutory authority to enforce the criminal,
34 traffic, or highway laws of the state or of the federal government; and

1 (C) Has worked for a law enforcement agency for at least
2 twenty-five (25) hours per week for at least eleven (11) months of the
3 calendar year; and

4 (2) "Law enforcement agency" means a municipal police
5 department, a county sheriff's office, a law enforcement entity of the State
6 of Arkansas, including without limitation the Division of Arkansas State
7 Police, an airport authority, or a federal law enforcement entity.

8 (b)(1) There is allowed an income tax credit against the income tax
9 imposed by this chapter in the amount of three thousand dollars (\$3,000) for
10 a taxpayer who obtains verification as stated in subsection (c) of this
11 section.

12 (2) The amount of the income tax credit under this section that
13 may be claimed by the taxpayer in a tax year shall not exceed the amount of
14 income tax due by the taxpayer.

15 (c) A taxpayer may receive the credit under subsection (b) of this
16 section if the taxpayer obtains verification as follows:

17 (1) If the taxpayer is the chief law enforcement officer of a
18 law enforcement agency, the taxpayer shall obtain written verification on a
19 form approved by the Department of Finance and Administration that:

20 (A) States that the taxpayer is a full-time law
21 enforcement officer; and

22 (B) Is signed by the second most senior law enforcement
23 officer and the payroll clerk of the law enforcement agency; and

24 (2) If the taxpayer is not the chief law enforcement officer of
25 the law enforcement agency, the taxpayer shall obtain written verification on
26 a form approved by the department that:

27 (A) States that the taxpayer is a full-time law
28 enforcement officer; and

29 (B) Is signed by the taxpayer's immediate supervisor and
30 the chief law enforcement officer of the law enforcement agency.

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32 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax
33 years beginning on or after January 1, 2021.

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36 /s/Rapert

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Referred requested by the Arkansas Senate
Prepared by: MBM/KFW