1 **State of Arkansas**

2 **80th General Assembly**

3 **Regular Session, 1995**

4 **By: Senator Cassady**

A Bill

ACT 682 OF 1995

SENATE BILL   532

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7 # For An Act To Be Entitled

8   "AN ACT TO CHANGE THE FORMULA FOR APPORTIONING BUSINESS

9   INCOME TO THE STATE OF ARKANSAS FOR INCOME TAX PURPOSES;

10   AND FOR OTHER PURPOSES."

11

12 # Subtitle

13   "TO CHANGE THE FORMULA FOR APPORTIONING

14   BUSINESS INCOME FOR INCOME TAX

15   PURPOSES."

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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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19   SECTION 1. Article IV, paragraph 9 of the Multistate Tax Compact as

20 adopted in Arkansas and contained in Arkansas Code Annotated §26-5-101 is

21 amended to read as follows:

22   "9. All business income shall be apportioned to this state by

23 multiplying the income by a fraction, the numerator of which is the property

24 factor plus the payroll factor plus double the sales factor, and the

25 denominator of which is four (4)."

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27   SECTION 2. Arkansas Code Annotated §26-51-709 is amended to read as

28 follows:

29   "§ 26-51-709. Business income.

30   All business income shall be apportioned to this state by multiplying

31 the income by a fraction, the numerator of which is the property factor plus

32 the payroll factor plus double the sales factor, and the denominator of which

33 is four (4)."

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35   *SECTION 3. This act shall be effective for tax years beginning on or*

36 *after January 1, 1995.*

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3   SECTION 4. All provisions of this act of a general and permanent nature

4 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code

5 Revision Commission shall incorporate the same in the Code.

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7   SECTION 5. If any provision of this act or the application thereof to

8 any person or circumstance is held invalid, such invalidity shall not affect

9 other provisions or applications of the act which can be given effect without

10 the invalid provision or application, and to this end the provisions of this

11 act are declared to be severable.

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13   SECTION 6. All laws and parts of laws in conflict with this act are

14 hereby repealed.

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17   */s/Cassady*

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19   APPROVED: 3-20-95

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