1	State of Arkansas	*As Engrossed: H2/25/15 S3/12/15*
2	90th General Assembly	A Bill
3	Regular Session, 2015	HOUSE BILL 1406
4		
5	By: Representative Bentley	

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For An Act To Be Entitled

8   AN ACT TO ALLOW THE SECRETARY OF STATE TO SETTLE

9   CERTAIN CORPORATE FRANCHISE TAX DISPUTES; AND FOR

10   OTHER PURPOSES.

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Subtitle

14   TO ALLOW THE SECRETARY OF STATE TO SETTLE

15   CERTAIN CORPORATE FRANCHISE TAX DISPUTES.

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

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20   SECTION 1. Arkansas Code § 26-54-107(c), concerning the computation of

21   corporate franchise taxes by the Secretary of State, is amended to read as

22   follows:

23   (c)~~(1) A corporation may seek relief from any proposed assessment of~~

24   ~~taxes pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et~~

25   ~~seq.~~ The Secretary of State or his or her designee may agree to *settle or*

26   *compromise a dispute concerning interest or penalties associated with*

27   *corporate franchise taxes if the* taxpayer:

28   (1) Disputes the proposed amount; or

29   (2) ~~This method shall be the exclusive method for seeking relief~~

30   Is insolvent or bankrupt.

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32   SECTION 2. Arkansas Code § 26-54-107, concerning the computation of

33   franchise taxes, penalties, and relief by the Secretary of State, is amended

34   to add additional subsections to read as follows:

35   (d)(1) The Secretary of State may waive any accrued interest or

36   assessed penalties imposed on a taxpayer due to a failure to remit corporate

1   franchise taxes under § 26-54-105(c), if:
2   (A)   The taxpayer is reasonably mistaken about the
3   application of this chapter or the computation of the franchise tax to the
4   corporation; or
5   (B)   A taxpayer cannot pay the accrued interest or assessed
6   penalties because of the taxpayer's insolvency or bankruptcy.
7   (2)   The Secretary of State may waive any fees that a taxpayer
8   owes if the taxpayer desires to dissolve the corporation.
9   *(e) If the parties cannot resolve the dispute, the parties may pursue*
10   *any other remedy available to them, including but not limited to remedies*
11   *available under the Arkansas Administrative Procedure Act, § 25-15-201 et*
12   *seq.*
13   *(f)*   The Secretary of State shall develop guidelines to assist a
14   taxpayer in resolving a corporate franchise tax dispute.
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16   */s/Bentley*
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19   **APPROVED: 03/31/2015**
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