A Bill

For An Act To Be Entitled

AN ACT TO REPEAL UNUSED PROVISIONS OF THE TAX CODE;
TO REPEAL THE INCOME TAX CREDIT FOR THE PURCHASE OF A
CIGARETTE RECEPTACLE; TO REPEAL A PROVISION
CONCERNING INTEREST COLLECTED ON ESTATE TAX
DEFICIENCIES AND PAID ON ESTATE TAX OVERPAYMENTS; AND
FOR OTHER PURPOSES.

Subtitle

TO REPEAL UNUSED PROVISIONS OF THE TAX
CODE; TO REPEAL THE INCOME TAX CREDIT FOR
THE PURCHASE OF A CIGARETTE RECEPTACLE;
AND TO REPEAL A PROVISION CONCERNING
INTEREST ON ESTATE TAX DEFICIENCIES AND
OVERPAYMENTS.

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

SECTION 1. Arkansas Code § 26-18-508(6), concerning the interest
collected on deficiencies and paid on overpayments, is repealed.

(6)(A) In lieu of the amount of interest otherwise provided by
this section, when an election to defer the payment of estate tax is made
pursuant to the provisions of § 26-59-113(c), then the amount of interest on
the deferred portion of the estate tax qualifying for the election shall be
at the rate of four percent (4%) per annum on the balance of the payments due
under the installment deferral election.

(B) However, the four percent (4%) interest rate shall
only apply to the “4-percent portion” as that term is defined in 26 U.S.C. §
(C) The interest rate on the estate tax exceeding the “4-percent portion” shall be at the rate specified in subdivision (1) of this section.

SECTION 2. Arkansas Code § 26-51-514 is repealed.

26-51-514. Cigarette receptacle tax credit.

(a) As used in this section, “cigarette receptacle” means a receptacle or urn specifically designed for the disposal of cigarette litter such as cigarette butts and ash.

(b)(1) A business or commercial enterprise with fifty (50) or fewer employees is allowed an income tax credit against the income tax imposed by the Income Tax Act of 1929, § 26-51-101 et seq., for the purchase of a cigarette receptacle that is placed in service during the taxable year.

(2) The amount of the income tax credit under this section is twenty percent (20%) of the purchase price of the cigarette receptacle.

(3) A taxpayer may claim the income tax credit under this section only one (1) time and only for one (1) cigarette receptacle.

(c) Any unused income tax credit under this section may be carried forward for three (3) consecutive tax years following the tax year the income tax credit was earned.

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

(e) The Department of Finance and Administration shall promulgate rules to implement this section.

APPROVED: 4/3/19