

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999
4

As Engrossed: H3/5/99 S3/25/99

A Bill

Act 1347 of 1999
HOUSE BILL 1912

5 By: Representative Hausam
6
7

For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE TITLE 15, CHAPTER 4,
10 REGARDING THE DEVELOPMENT OF BUSINESS AND INDUSTRY, TO
11 PROVIDE FOR A PROGRAM TO ENCOURAGE PRIVATE
12 PARTICIPATION IN PUBLIC ROADS PROJECTS WITH AN INCOME
13 TAX CREDIT; TO DECLARE AN EMERGENCY; AND FOR OTHER
14 PURPOSES. "

Subtitle

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16
17 "TO PROVIDE FOR A PROGRAM TO ENCOURAGE
18 PRIVATE PARTICIPATION IN PUBLIC ROADS
19 PROJECTS WITH AN INCOME TAX CREDIT. "

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21
22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. Arkansas Code Title 15, Chapter 4 is amended by adding a new
25 subchapter to be appropriately numbered by the Arkansas Code Revision
26 Commission:
27

"Title.

28
29 This subchapter may be referred to and cited as the 'Arkansas Public
30 Roads Improvements Credit Act.'

Legislative Intent.

31
32 The General Assembly of the State of Arkansas finds and declares that:

33 (1) This State's program for capital improvements for public roads
34 projects and the financing thereof is inadequate;
35

36 (2) The economic and other benefits to the state and its people

1 resulting from capital improvements for public roads projects are essential to
2 the public health, safety, and welfare of the people of Arkansas;

3 (3) Providing tax credits to taxpayers for contributions in aid of
4 construction of capital improvements for public roads will encourage public
5 and private participation in these capital improvement projects, will promote
6 the economic welfare of this state and its people, and is in the public
7 interest.

8
9 Definitions.

10 As used in this subchapter, unless the context otherwise requires:

11 (1) 'Capital improvements' means capital improvements for public roads;

12 (2) 'Commission' means the Arkansas Economic Development Commission;

13 (3) 'Contribution' means a contribution in aid of construction of a
14 public roads project made by a taxpayer to the Public Roads Incentive Fund;

15 (4) 'County' means any county in the State of Arkansas;

16 (5) 'Department' means the Department of Economic Development;

17 (6) 'Director' is the Director of the Department of Economic
18 Development;

19 (7) 'Fund' means the Public Roads Incentive Fund;

20 (8) 'Governing Authority' means the quorum court of a county, the
21 governing body of a municipality, and the State Highway Commission;

22 (9) 'Municipality' means any city or incorporated town in the State of
23 Arkansas;

24 (10) 'Project' means all, any combination, or any part of the capital
25 improvements for public roads which are authorized by a governing authority
26 and approved by the director;

27 (11) 'Public roads' means roads maintained by a governing authority;
28 and

29 (12) 'Taxpayer' includes any individual, fiduciary, or corporation
30 subject to Arkansas state income tax.

31
32 Approval of Projects.

33 Governing authorities may apply to the director for funding assistance
34 for capital improvement projects for public roads as provided by this
35 subchapter. The director is authorized to approve capital improvements for
36 funding assistance upon a finding that a project is in the public interest.

1
2 Fund.

3 There is hereby established on the books of the Treasurer of State,
4 Auditor of State, and Chief Fiscal Officer of the State, a fund to be known as
5 the 'Public Roads Incentive Fund' of the Arkansas Economic Development
6 Commission. The Public Roads Incentive Fund shall consist of contributions
7 made by taxpayers for public roads projects approved by the director, and any
8 other funds as are designated or deposited to the fund by law. A separate
9 account shall be established for each project, and contributions for a project
10 shall be applied to provide funding assistance for such project. Any
11 contributions which remain in the fund when a project is completed or
12 terminated shall be held and applied to other public roads projects in such
13 manner as the director shall direct.

14
15 Tax Credit.

16 A taxpayer shall be entitled to a credit against any Arkansas income tax
17 liability which may be imposed on the taxpayer for any tax year commencing on
18 or after January 1, 1999, for contributions transmitted to the Treasurer of
19 State pursuant to this subchapter. The credit shall be determined in the
20 following manner:

21 (1) The credit is limited to an amount not to exceed thirty-three
22 percent (33%) of the taxpayer's contribution.

23 (2) In any one (1) tax year, the credit allowed by this section shall
24 not exceed fifty percent (50%) of the net Arkansas state income tax liability
25 of the taxpayer after all other credits and reductions in tax have been
26 calculated; and

27 (3) Any credit in excess of the amount allowed by subdivision (2) of
28 this section for any one (1) tax year may be carried forward and applied
29 against Arkansas state income tax for the next-succeeding tax year and
30 annually thereafter for a total period of three (3) years next succeeding the
31 year in which the credit arose, subject to the provisions of subdivision (2)
32 of this section, or until the credit is exhausted, whichever occurs first.

33
34 Department powers and duties.

35 The department shall administer the provisions of this subchapter and
36 shall have the following powers and duties, in addition to those mentioned in

1 this subchapter and in other laws of this state:

2 (1) To monitor the implementation and operation of this subchapter and
3 conduct a continuing evaluation of the progress made;

4 (2) To assist the governing authority in obtaining assistance from any
5 other department of state government;

6 (3) To submit an annual written report, evaluating the effectiveness of
7 the program and presenting any suggestions for improving the program, to be
8 submitted to the Governor no later than March 1 of each year; and

9 (4) To promulgate rules and regulations, in accordance with the
10 Arkansas Administrative Procedure Act, beginning at Arkansas Code § 25-15-201,
11 necessary to carry out the provisions of this subchapter."

12
13 SECTION 2. All provisions of this act of a general and permanent nature
14 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
15 Revision Commission shall incorporate the same in the Code.

16
17 SECTION 3. If any provision of this act or the application thereof to
18 any person or circumstance is held invalid, such invalidity shall not affect
19 other provisions or applications of the act which can be given effect without
20 the invalid provision or application, and to this end the provisions of this
21 act are declared to be severable.

22
23 SECTION 4. All laws and parts of laws in conflict with this act are
24 hereby repealed.

25
26 SECTION 5. EMERGENCY CLAUSE. It is hereby found and determined by the
27 Eighty-second General Assembly that the State's program for capital
28 improvements for public roads and financing thereof is inadequate, that the
29 economic and other benefits to the state and its people resulting from capital
30 improvements are essential to the people of Arkansas, and that providing tax
31 credits to taxpayers for contributions in aid of construction of public roads
32 will encourage public and private participation and thereby promote the
33 economic welfare of this state and its people and the public interest.
34 Therefore, an emergency is declared to exist and this act being immediately
35 necessary for the preservation of the public peace, health and safety shall
36 become effective on the date of its approval by the Governor. If the bill is

1 neither approved nor vetoed by the Governor, it shall become effective on the
2 expiration of the period of time during which the Governor may veto the bill.
3 If the bill is vetoed by the Governor and the veto is overridden, it shall
4 become effective on the date the last house overrides the veto.

5 /s/ Hausam

8 APPROVED: 4/12/1999

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