

**Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.**

1 State of Arkansas  
2 83rd General Assembly  
3 Regular Session, 2001  
4

*As Engrossed: H3/15/01*

# A Bill

**Act 1065 of 2001**  
SENATE BILL 776

5 By: Senator Wilkinson  
6 *By: Representatives McMellon, Verkamp*  
7

## **For An Act To Be Entitled**

10 AN ACT TO INCLUDE COAL MINING OPERATIONS IN  
11 ECONOMIC DEVELOPMENT LAWS; AND FOR OTHER  
12 PURPOSES.  
13

### **Subtitle**

15 TO INCLUDE COAL MINING OPERATIONS IN  
16 ECONOMIC DEVELOPMENT LAWS.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
20

21 SECTION 1. Arkansas Code 15-4-1704(b), concerning businesses eligible  
22 under the Enterprise Zone Act, is amended to read as follows:

23 (b) A sales and use tax refund as provided for in subsection (a) of  
24 this section shall be authorized, provided that the business is classified as  
25 one (1) of the following types of businesses:

26 (1) Manufacturers classified in Standard Industrial  
27 Classification codes 20-39, including semiconductor and microelectronic  
28 manufacturers, that create one (1) or more net new full-time permanent jobs;

29 (2)(A) Computer businesses primarily engaged in providing  
30 computer programming services, the design and development of prepackaged  
31 software, businesses engaged in digital content production and digital  
32 preservation, computer processing and data preparation services, information  
33 retrieval services, and computer and data processing consultants and  
34 developers.

35 (B) All businesses in this group must create twenty-five  
36 (25) or more net new full-time permanent jobs, derive at least sixty percent

1 (60%) of their revenue from out-of-state sales and have no retail sales to  
2 the general public;

3 (3) Businesses primarily engaged in commercial physical and  
4 biological research as classified by Standard Industrial Classification code  
5 8731 that create one (1) or more net new full-time permanent jobs;

6 (4)(A) Businesses primarily engaged in motion picture production  
7 which will create twenty-five (25) or more net new full-time permanent jobs.

8 (B) All businesses in this group must derive at least  
9 sixty percent (60%) of their revenue from out-of-state sales and have no  
10 retail sales to the general public;

11 (5) A distribution center with no retail sales to the general  
12 public that creates twenty-five (25) or more net new full-time permanent  
13 jobs;

14 (6) An office sector business with no retail sales to the  
15 general public that creates twenty-five (25) or more net new full-time  
16 permanent jobs;

17 (7) A corporate or regional headquarters with no retail sales to  
18 the general public that creates twenty-five (25) or more net new full-time  
19 permanent jobs; ~~and~~

20 (8) A trucking/distribution terminal, as classified by Standard  
21 Industrial Classification code 4231, with no retail sales to the general  
22 public that creates twenty-five (25) or more net new full-time permanent  
23 jobs; and

24 (9) Coal mining operations that employ twenty-five (25) or more  
25 net full-time permanent persons.

26

27 SECTION 2. Arkansas Code 26-52-702(3), concerning the definition of  
28 eligible business under the Economic Investment Tax Credit Act, is amended to  
29 read as follows:

30 (3) "Eligible business" means a business eligible for sales and use  
31 tax credits under the provisions of this subchapter that has been in  
32 continuous operation in Arkansas for at least two (2) years prior to the  
33 initial application to the Director of the Department of Economic Development  
34 and has obtained a direct-pay sales and use tax permit from the Revenue  
35 Division of the Department of Finance and Administration under the provisions  
36 of § 26-52-509 and is classified as one (1) or more of the following types of

1 busi nesses:

2 (A) Manufacturers classi fied in federal Standard Industrial  
3 Cl assi fi cation codes 20-39, i ncl uding semi conductor and mi croel ectronic  
4 manufacturers;

5 (B)(i) Computer busi nesses pri marily engaged in provi ding  
6 computer programing servi ces, the design and devel opment of prepackaged  
7 software, busi nesses engaged in digi tal content production and preservation,  
8 computer processi ng and data preparati on servi ces, i nformati on retrieval  
9 servi ces, and computer and data processi ng consul tants and devel opers.

10 (ii) All busi nesses in thi s group must derive at least  
11 sixty percent (60%) of their revenue from out-of-state sales and have no  
12 retail sales to the publi c;

13 (C)(i) Busi nesses pri marily engaged in moti on picture  
14 producti on.

15 (ii) All busi nesses in thi s group must derive at least  
16 sixty percent (60%) of their revenue from out-of-state sales and have no  
17 retail sales to the publi c;

18 (D) Busi nesses pri marily engaged in commerci al physi cal and  
19 bi ologi cal research as classi fied by Standard Industri al Cl assi fi cation code  
20 8731;

21 (E) A distri buti on center wi th no retail sales to the general  
22 publi c;

23 (F) An offi ce sector busi ness wi th no retail sales to the  
24 general publi c; ~~and~~

25 (G) A corpora te or regi onal headquart ers wi th no retail sales to  
26 the general publi c; and

27 (H) A coal mi ni ng operati on that empl oys twenty-fi ve (25) or  
28 more net full -time permanent posi ti ons;

29

30 SECTION 3. Arkansas Code 15-4-1605(1) concerni ng quali fications for  
31 the Arkansas Economi c Devel opment Act, is amended to read as follows:

32 (1) Be classi fied as one (1) or more of the followi ng types of  
33 busi nesses:

34 (A) Manufacturers classi fied in Standard Industri al  
35 Cl assi fi cation codes 20-39, i ncl uding semi conductor and mi croel ectronic  
36 manufacturers whi ch wi ll empl oy one hundred (100) or more net new full -time

1 permanent employees;

2 (B)(i) Computer businesses primarily engaged in providing  
3 computer programming services; the design and development of prepackaged  
4 software; businesses engaged in digital content production and preservation;  
5 computer processing and data preparation services; information retrieval  
6 services; and computer and data processing consultants and developers.

7 (ii) All businesses in this group must employ twenty-five  
8 (25) or more net new full-time permanent employees, derive at least sixty  
9 percent (60%) of their revenue from out-of-state sales, and have no retail  
10 sales to the general public;

11 (C) Businesses primarily engaged in commercial physical and  
12 biological research as classified by Standard Industrial Classification code  
13 8731, which will employ fifty (50) or more net new full-time permanent  
14 employees;

15 (D)(i) Businesses primarily engaged in motion picture production  
16 which will employ fifty (50) or more net new full-time permanent employees.

17 (ii) All businesses in this group must derive at least  
18 sixty percent (60%) of their revenue from out-of-state sales and have no  
19 retail sales to the general public;

20 (E) A distribution center with no retail sales to the general  
21 public and which will employ one hundred (100) or more net new full-time  
22 permanent employees;

23 (F) An office sector business with no retail sales to the  
24 general public and which will employ fifty (50) or more net new full-time  
25 permanent employees; ~~and~~

26 (G) A national, corporate, or regional headquarters with no  
27 retail sales to the general public and which will employ fifty (50) or more  
28 net new full-time permanent employees; and

29 (H) Coal mining operations that employ twenty-five (25) or more  
30 net full-time permanent positions;

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32 /s/ Wilkinson, et al.

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APPROVED: 3/26/2001

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