

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: H3/21/01

A Bill

Act 1558 of 2001
HOUSE BILL 2298

5 By: Representative R. Smith
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For An Act To Be Entitled

9 AN ACT TO ALLOW A DEDUCTION FROM INCOME FOR
10 GUARANTY FEES PAID TO TYHE SMALL BUSINESS
11 ADMINISTRATION BY A SMALL BUSINESS; AND FOR OTHER
12 PURPOSES.
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Subtitle

14 TO ALLOW A DEDUCTION FROM INCOME FOR
15 GUARANTY FEES PAID TO THE SMALL BUSINESS
16 ADMINISTRATION.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. Title 26, Chapter 51, Subchapter 4 is amended to add a new
23 section to read as follows:

24 26-51-449. Deductions – Small business guaranty fees.

25 (a) In computing net income, there shall be allowed as a deduction the
26 amount paid during a taxable year to the United States Small Business
27 Administration as a guaranty fee associated with the acquisition of Small
28 Business Administration financing.

29 (b) The deduction shall be taken only by the small business which is
30 the primary obligor in the financing transaction and which paid the fee.

31 (c) The term "small business" means any corporation, partnership, sole
32 proprietorship, limited liability corporation or other business entity
33 qualifying as "small" under the standards contained in Title 13, Code of
34 Federal Regulations, Section 121, as in effect on January 1, 2001.

35 (d) The Revenue Division of the Department of Finance and
36 Administration may promulgate regulations as necessary to administer this

1 act.

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3 SECTION 2. The income tax provisions of this act shall be in full
4 force and effect for all taxable years beginning on and after January 1,
5 2001.

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/s/ R. Smith

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APPROVED: 4/12/2001

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