

1 State of Arkansas  
2 92nd General Assembly  
3 Regular Session, 2019  
4

# A Bill

HOUSE BILL 1725

5 By: Representative M. Gray  
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## For An Act To Be Entitled

8 AN ACT TO REPEAL UNUSED PROVISIONS OF THE TAX CODE;  
9 TO REPEAL THE INCOME TAX CREDIT FOR THE PURCHASE OF A  
10 CIGARETTE RECEPTACLE; TO REPEAL A PROVISION  
11 CONCERNING INTEREST COLLECTED ON ESTATE TAX  
12 DEFICIENCIES AND PAID ON ESTATE TAX OVERPAYMENTS; AND  
13 FOR OTHER PURPOSES.  
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## Subtitle

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17 TO REPEAL UNUSED PROVISIONS OF THE TAX  
18 CODE; TO REPEAL THE INCOME TAX CREDIT FOR  
19 THE PURCHASE OF A CIGARETTE RECEPTACLE;  
20 AND TO REPEAL A PROVISION CONCERNING  
21 INTEREST ON ESTATE TAX DEFICIENCIES AND  
22 OVERPAYMENTS.  
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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27 SECTION 1. Arkansas Code § 26-18-508(6), concerning the interest  
28 collected on deficiencies and paid on overpayments, is repealed.

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

35 ~~(B) However, the four percent (4%) interest rate shall~~  
36 ~~only apply to the "4 percent portion" as that term is defined in 26 U.S.C. §~~



1 ~~6601(j)(2), as it existed on January 1, 1989.~~

2 ~~(C) The interest rate on the estate tax exceeding the “4-~~  
 3 ~~percent portion” shall be at the rate specified in subdivision (1) of this~~  
 4 ~~section.~~

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 Arkansas Code § 26-51-514 is repealed.

7 ~~26-51-514. Cigarette receptacle tax credit.~~

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

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

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

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

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

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

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

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 29 **APPROVED: 4/3/19**  
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