

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

A Bill

HOUSE BILL 1908

5 By: Representative M. Gray
6

For An Act To Be Entitled

8 AN ACT TO CLARIFY THE STATUTE OF LIMITATIONS FOR A
9 TAXPAYER TO FILE AN AMENDED TAX RETURN; TO CLARIFY
10 THE CIRCUMSTANCES UNDER WHICH A TAXPAYER MAY FILE AN
11 AMENDED TAX RETURN; AND FOR OTHER PURPOSES.
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Subtitle

14 TO CLARIFY THE STATUTE OF LIMITATIONS FOR
15 A TAXPAYER TO FILE AN AMENDED TAX RETURN;
16 AND TO CLARIFY THE CIRCUMSTANCES UNDER
17 WHICH A TAXPAYER MAY FILE AN AMENDED TAX
18 RETURN.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 26-18-306(i)(1), concerning time
25 limitations for assessments, collection, refunds, and prosecution, is amended
26 to read as follows:

27 (i)(1)(A) An amended return ~~or verified claim for credit or refund of~~
28 ~~an overpayment of a state tax~~ shall be filed by the taxpayer within three (3)
29 years from the time the return was filed or two (2) years from the time the
30 tax was paid, whichever of the periods expires later.

31 (B) The limitations periods stated in subdivision
32 (i)(1)(A) of this section apply regardless of whether the amended return
33 would reduce a taxpayer's tax liability, entitle the taxpayer to a refund of
34 an overpayment of a state tax, amend the taxpayer's filing status, or amend
35 the taxpayer's return for any other purpose.

36 (C) Subdivision (i)(1)(A) of this section does not apply:



1 ~~to~~
2 (i) To a tax paid as a result of an audit or
3 proposed assessment; or

4 (ii)(a) If the amount of taxable income or taxable
5 estate for a taxpayer for a year, as returned to the United States Department
6 of the Treasury, is changed and corrected by the Commissioner of Internal
7 Revenue or an officer of the United States Government of competent authority.

8 (b) Subsection (b) of this section applies in
9 circumstances described in subdivision (i)(1)(C)(ii)(a) of this section.

10 ~~(C)(i)(D)(i)~~ (i) If a taxpayer is subject to an audit, then
11 the taxpayer may file an amended return or verified claim for credit or
12 refund of an overpayment of a state tax that occurred at any time during the
13 time period for which the audit is performed.

14 (ii) However, the total refund of overpayments for
15 the extended audit period shall not be more than the total amount assessed
16 for the extended audit period.

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18 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax
19 years beginning on or after January 1, 2019.

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22 **APPROVED: 4/10/19**
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