

1 State of Arkansas *As Engrossed: S2/2/17 S2/9/17 H2/22/17*

2 91st General Assembly

A Bill

3 Regular Session, 2017

SENATE BILL 253

4

5 By: Senators B. Sample, Files, Rapert, K. Ingram

6 By: Representatives Jett, Eaves, V. Flowers, Johnson, Sabin, Collins, Bragg, *Gazaway, Warren*

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For An Act To Be Entitled

9 AN ACT TO AMEND THE ARKANSAS HISTORIC REHABILITATION
10 INCOME TAX CREDIT *ACT; TO DECLARE AN EMERGENCY;* AND
11 FOR OTHER PURPOSES.

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Subtitle

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TO AMEND THE ARKANSAS HISTORIC

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REHABILITATION INCOME TAX CREDIT ACT; AND

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TO DECLARE AN EMERGENCY.

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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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22 SECTION 1. Arkansas Code § 26-51-2204(b), concerning the Arkansas
23 historic rehabilitation income tax credit, is amended to read as follows:

24 (b) The Arkansas historic rehabilitation income tax credit shall be in
25 an amount equal to twenty-five percent (25%) of the total qualified
26 rehabilitation expenses incurred by the owner to complete a certified
27 rehabilitation up to the first:

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(1)(A) Five For a project that starts on or after January 1,

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2009, five hundred thousand dollars (\$500,000) of qualified rehabilitation
30 expenses on income-producing property.

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(B) For a project that starts on or after July 1, 2017,

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one million six hundred thousand dollars (\$1,600,000) of qualified

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rehabilitation expenses on income-producing property; or

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(2) One hundred thousand dollars (\$100,000) of qualified

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rehabilitation expenses on nonincome-producing property.

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SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that there is a cap on the total amount of Arkansas historic rehabilitation income tax credits that the Department of Arkansas Heritage may issue in a year; that the cap placed on the total amount of Arkansas historic rehabilitation income tax credits is determined based on the fiscal year; that eligibility for the Arkansas historic rehabilitation income tax credit currently is determined based on a calendar year; that aligning the time frames for determining eligibility and the threshold for the cap on the Arkansas historic rehabilitation income tax credit would create a more efficient and effective means of issuing and tracking these credits; and that this act is necessary to ensure the efficient and effective operation of government in issuing and tracking Arkansas historic rehabilitation income tax credits. Therefore, an emergency is declared to exist, and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2017.

/s/B. Sample

APPROVED: 03/07/2017