

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: H2/16/01 S3/20/01

# A Bill

HOUSE BILL 1462

5 By: Representative Hausam  
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## For An Act To Be Entitled

9 AN ACT TO AMEND ARKANSAS CODE 26-51-703 TO  
10 CLARIFY TAXPAYERS WHO ARE TAXABLE IN ANOTHER  
11 STATE FOR THE PURPOSES OF ALLOCATION AND  
12 APPORTIONMENT OF INCOME PURSUANT TO THE UNI FORM  
13 DIVISION OF INCOME FOR TAX PURPOSES ACT; AND FOR  
14 OTHER PURPOSES.

## Subtitle

16 TO CLARIFY TAXPAYERS WHO ARE TAXABLE IN  
17 ANOTHER STATE FOR THE PURPOSES OF  
18 ALLOCATION AND APPORTIONMENT OF INCOME  
19 PURSUANT TO THE UNI FORM DIVISION OF  
20 INCOME FOR TAX PURPOSES ACT.  
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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26 SECTION 1. Arkansas Code 26-51-703 is amended to read as follows:  
27 26-51-703. Taxpayer taxable in another state.

28 For purposes of allocation and apportionment of income under this  
29 subchapter, a taxpayer is taxable in another state if:

30 (1) In that state ~~he~~ the taxpayer is subject to a net income tax, a  
31 franchise tax measured by net income, a franchise tax for the privilege of  
32 doing business, or a corporate stock tax; and the taxpayer files the requisite  
33 tax return in the other state; or

34 (2) *That state has jurisdiction to subject the taxpayer to a net income*  
35 *tax regardless of whether, in fact, the state does or does not.*  
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1 SECTION 2. [THE ARKANSAS CODE REVISION COMMISSION IS NOT REQUIRED TO  
2 CODIFY THIS SECTION.] This act shall become effective for tax years beginning  
3 on or after January 1, 2001.

4 /s/ Hausam  
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