

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 85th General Assembly
3 Regular Session, 2005
4

A Bill

SENATE BILL 253

5 By: Senators Wooldridge, Glover, Hill, Miller, Trusty
6 By: Representative Jackson
7
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For An Act To Be Entitled

9 AN ACT TO REQUIRE CORPORATIONS ELECTING
10 SUBCHAPTER S TREATMENT FOR ARKANSAS INCOME TAX
11 PURPOSES TO FIRST ELECT SUBCHAPTER S TREATMENT
12 FOR FEDERAL TAX PURPOSES; AND FOR OTHER PURPOSES.
13
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Subtitle

15 TO REQUIRE CORPORATIONS ELECTING
16 SUBCHAPTER S TREATMENT FOR ARKANSAS
17 INCOME TAX PURPOSES TO FIRST ELECT
18 SUBCHAPTER S TREATMENT FOR FEDERAL TAX
19 PURPOSES.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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25 SECTION 1. Arkansas Code § 26-51-409(b), concerning Subchapter S
26 election, is amended to read as follows:

27 (b)(1) The corporate election and shareholder consents required to be
28 filed under Subchapter S of the federal Internal Revenue Code of 1986 for
29 Arkansas income tax purposes shall be filed with the Director of the
30 Department of Finance and Administration of the State of Arkansas in the same
31 manner and at the same time as required under Subchapter S.

32 (2) A corporation may elect Subchapter S treatment for Arkansas
33 income tax purposes only if it has elected Subchapter S treatment for federal
34 income tax purposes for the same tax year.
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36 SECTION 2. This act shall become effective for tax years beginning on



1 and after January 1, 2005.

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