

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 87th General Assembly
3 Regular Session, 2009

A Bill

HOUSE BILL 2076

4
5 By: Representative Webb
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For An Act To Be Entitled

8
9 AN ACT TO AMEND THE NONPROFIT INCENTIVE ACT TO
10 SPECIFY THAT THE NONPROFIT CORPORATION BE A (501)(c)
11 ORGANIZATION; TO CHANGE THE PAYROLL THRESHOLD FOR
12 QUALIFICATION; TO CHANGE THE INVESTMENT THRESHOLD FOR
13 QUALIFICATION; AND FOR OTHER PURPOSES.
14

Subtitle

15
16 AN ACT TO AMEND THE NONPROFIT INCENTIVE
17 ACT OF 2007.
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19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. Arkansas Code § 15-4-3103(7), concerning definitions under
23 the Nonprofit Incentive Act of 2005, is amended to read as follows:

24 (7) "Nonprofit organization" means an entity that has filed required
25 documents with and been approved by the Secretary of State as having met the
26 qualifications for a nonprofit organization in Arkansas and that also has
27 received a § 501(c)(3), § 501(c)(6), or § 502(c)(9) designation from the
28 Internal Revenue Service prior to applying for the benefits afforded under
29 this subchapter;
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31 SECTION 2. Arkansas Code § 15-4-3104(a), concerning eligibility for
32 benefits under the Nonprofit Incentive Act of 2005, is amended to read as
33 follows:

34 (a) ~~Only those~~ A nonprofit organization that ~~have~~ has a
35 payroll of new full-time permanent employees in excess of ~~one million dollars~~
36 ~~(\$1,000,000)~~ five hundred thousand dollars (\$500,000) annually may apply for



1 and receive any benefits authorized by this subchapter.

2

3 SECTION 3. Arkansas Code § 15-4-3105(b)(2), concerning a sales and use
 4 tax refund under the Nonprofit Incentive Act of 2005, is amended to read as
 5 follows:

6 (2) To qualify for the sales and use tax refund ~~authorized by~~
 7 under this section, a qualified nonprofit organization shall spend in excess
 8 of ~~five hundred thousand dollars (\$500,000)~~ two hundred fifty thousand
 9 (\$250,000) on buildings, machinery, and equipment in the new or improved
 10 facility.

11

12 SECTION 4. Arkansas Code § 15-4-3106(d)(3)-(6), concerning the payroll
 13 rebate under the Nonprofit Incentive Act of 2005, is amended to read as
 14 follows:

15 (3) The requisite annual payroll of ~~one million dollars~~
 16 ~~(\$1,000,000)~~ five hundred thousand dollars (\$500,000) shall be reached within
 17 twenty-four (24) months of the signing of the financial incentive agreement
 18 for the benefits of this section to be approved.

19 (4) If the Director of the Arkansas Economic Development
 20 Commission and the Director of the Department of Finance and Administration
 21 find that the nonprofit organization has presented compelling reasons for an
 22 extension of time, the Director of the Arkansas Economic Development
 23 Commission may grant an extension of time not to exceed twenty-four (24)
 24 months to reach the requisite annual payroll of ~~one million dollars~~
 25 ~~(\$1,000,000)~~ five hundred thousand dollars (\$500,000).

26 (5) In addition to having an annual payroll of ~~one million~~
 27 ~~dollars (\$1,000,000)~~ five hundred thousand dollars (\$500,000) or more, the
 28 nonprofit organization applying for benefits under this subchapter shall pay
 29 average hourly wages in excess of one hundred ten percent (110%) of the
 30 lesser of the state or county average wage for the county in which the
 31 organization locates or expands.

32 (6) Payments to ~~nonprofit organizations~~ a nonprofit organization
 33 with an annual payroll in excess of ~~one million dollars (\$1,000,000)~~ five
 34 hundred thousand dollars (\$500,000) shall be considered and may be authorized
 35 by the Director of the Arkansas Economic Development Commission, after the
 36 Director of the Arkansas Economic Development Commission has signed a

1 financial incentive agreement with the nonprofit organization, in the amount
2 of four percent (4%) of the annual payroll of the new full-time permanent
3 employees.

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