

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

As Engrossed: S2/2/09
A Bill

SENATE BILL 8

4
5 By: Senator Altes
6
7

8 **For An Act To Be Entitled**

9 AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR A
10 BUSINESS OR INDIVIDUAL THAT PURCHASES RENEWABLE
11 RESOURCE EQUIPMENT; AND FOR OTHER PURPOSES.
12

13 **Subtitle**

14 TO PROVIDE AN INCOME TAX CREDIT FOR A
15 BUSINESS OR INDIVIDUAL THAT PURCHASES
16 RENEWABLE RESOURCE EQUIPMENT.
17
18

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

21 SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 5 is amended
22 to add an additional section to read as follows:

23 26-51-513. Renewable resource equipment.

24 (a) As used in this section:

25 *(1) "Biomass" means any organic product or byproduct derived*
26 *from trees, plants, or other biological matter, including limbs, bark, and*
27 *other cellulosic material, byproducts from wood pulping, and other*
28 *biologically-derived materials, including organic fibers and wastewater*
29 *treatment solids.*

30 (2) "Purchase" means a transaction in which the title to an item
31 of tangible personal property is transferred for consideration;

32 (3)(A) "Purchase price" means the amount of consideration,
33 including cash and credit, that is paid for an item of tangible personal
34 property.

35 (B) "Purchase price" does not include a discount or
36 coupon, installation or delivery charge, credit for a trade-in, a tax legally



1 imposed, or interest, financing, or carrying charge from credit extended on
2 the sale;

3 (4) "Renewable resource" means a solar resource, wind resource,
4 geothermal resource, biomass resource, waste heat recovery resource, water
5 resource, or waste water resource; and

6 (5) "Renewable resource equipment" means a system, component of
7 a system, mechanism or series of mechanisms, support service, or a
8 combination of these items that use a renewable resource as a source of
9 energy or that offsets or replaces the consumption of traditional energy
10 sources, including without limitation, electricity or natural gas.

11 (b)(1) A taxpayer is allowed an income tax credit against the income
12 tax imposed by the Income Tax Act of 1929, § 26-51-101 et seq., for the
13 purchase of renewable resource equipment that is placed in service during the
14 taxable year.

15 (2) The amount of the income tax credit is twenty percent (20%)
16 of the purchase price of the renewable resource equipment.

17 (c) The amount of the income tax credit under this section that may be
18 claimed by the taxpayer in a tax year shall not exceed the amount of income
19 tax due by the taxpayer.

20 (d) The Department of Finance and Administration shall promulgate
21 rules to implement this section.

22
23 SECTION 2. Section 1 of this act is effective for tax years beginning
24 on or after January 1, 2009.

25
26 */s/ Altes*
27
28
29
30
31
32
33
34
35
36