

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015
4

A Bill

HOUSE BILL 1410

5 By: Representative Sabin
6

For An Act To Be Entitled

8 AN ACT TO AMEND AND EXPAND THE ARKANSAS CENTRAL
9 BUSINESS IMPROVEMENT DISTRICT REHABILITATION AND
10 DEVELOPMENT INVESTMENT TAX CREDIT ACT; AND FOR OTHER
11 PURPOSES.
12
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Subtitle

14 TO AMEND AND EXPAND THE ARKANSAS CENTRAL
15 BUSINESS IMPROVEMENT DISTRICT
16 REHABILITATION AND DEVELOPMENT INVESTMENT
17 TAX CREDIT ACT.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code § 26-51-2407 is amended to read as follows:
24 26-51-2407. Investment tax credits.

25 (a) There is allowed an investment tax credit against the tax imposed
26 by the Income Tax Act of 1929, § 26-51-101 et seq., for ~~any~~ a taxpayer
27 incurring costs and expenses that are qualified rehabilitation or development
28 expenditures of eligible central business improvement district property.

29 (b) The investment tax credit is equal to twenty-five percent (25%) of
30 qualified rehabilitation or development expenditures incurred for a qualified
31 project up to the first+

32 ~~(1) Five hundred thousand dollars (\$500,000)~~ two million dollars
33 (\$2,000,000) on income-producing property or nonincome-producing property; ~~or~~
34 ~~(2) Two hundred thousand dollars (\$200,000) on nonincome-~~
35 ~~producing property.~~

36 (c)(1) The investment tax credit for a qualified project covering



1 income-producing eligible central business improvement district property
 2 shall be taken in the tax year in which the eligible central business
 3 improvement district property is placed in service.

4 (2) The investment tax credit for a qualified project covering
 5 residential eligible central business improvement district property or other
 6 nonincome-producing eligible central business improvement district property
 7 shall be taken in the tax year the qualified project is completed.

8 ~~(d) A taxpayer who receives an investment tax credit under this~~
 9 ~~section shall not claim any other state or local tax credit or deduction~~
 10 ~~based on the qualified rehabilitation or development expenditures except for~~
 11 ~~the deduction for normal depreciation of the eligible central business~~
 12 ~~improvement district property.~~

13 ~~(e)(1)~~ (d)(1) The Department of Finance and Administration shall
 14 maintain an ongoing record of the eligibility certificates awarded each
 15 fiscal year.

16 (2)(A) The department shall only issue investment tax credits up
 17 to ~~one million dollars (\$1,000,000)~~ five million dollars (\$5,000,000) in any
 18 one (1) fiscal year on a first-come, first-served basis.

19 (B) Beginning July 1, 2017, the department shall only
 20 issue investment tax credits up to ten million dollars (\$10,000,000) in any
 21 one (1) fiscal year on a first-come, first-served basis.

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 23 SECTION 2. Arkansas Code § 26-51-2412(a), concerning the effective
 24 date of the Arkansas Central Business Improvement District Rehabilitation and
 25 Development Investment Tax Credit Act, is amended to read as follows:

26 ~~(a)(1) This subchapter takes effect only if the Chief Fiscal Officer~~
 27 ~~of the State certifies that sufficient funding for this subchapter is~~
 28 ~~available in the General Improvement Fund~~ is effective July 31, 2015.

29 ~~(2) If the Chief Fiscal Officer of the State certifies that~~
 30 ~~sufficient funding for this subchapter is available in the fund, this~~
 31 ~~subchapter is effective for tax years beginning on and after January 1 of the~~
 32 ~~year following the certification and continues for a period of two (2) years.~~

33 ~~(3) If the Chief Fiscal Officer of the State certifies that~~
 34 ~~sufficient funding for this subchapter is available in the fund, he or she~~
 35 ~~shall notify the Arkansas Code Revision Commission of the effective date of~~
 36 ~~this subchapter.~~