

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4
5 By: Senator J. Dismang
6 By: Representative Jett
7

As Engrossed: S4/2/19
A Bill

SENATE BILL 629

For An Act To Be Entitled

9 AN ACT TO AMEND THE WATER RESOURCE CONSERVATION AND
10 DEVELOPMENT INCENTIVES ACT; TO ALLOW FOR THE TRANSFER
11 OF INCOME TAX CREDITS UNDER THE WATER RESOURCE
12 CONSERVATION AND DEVELOPMENT INCENTIVES ACT; AND FOR
13 OTHER PURPOSES.
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Subtitle

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17 TO ALLOW FOR THE TRANSFER OF INCOME TAX
18 CREDITS UNDER THE WATER RESOURCE
19 CONSERVATION AND DEVELOPMENT INCENTIVES
20 ACT.
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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 Title 26, Chapter 51, Subchapter 10, is
26 amended to add an additional section to read as follows:

27 26-51-1015. Transfer of credit.

28 (a) The income tax credits allowed under this subchapter may be
29 transferred.

30 (b) A transferee from an original approved applicant under this
31 subchapter is entitled to an income tax credit under this subchapter only to
32 the extent the income tax credit is still available to and has not previously
33 been used by the transferor.

34 (c) A transferee of income tax credits under this subchapter that
35 seeks to qualify for the income tax credits provided in this subchapter shall
36 obtain and attach to the transferee's income tax return for the years the



1 income tax credit is claimed a certified statement from the transferor
2 stating the:

3 (1) Name and address of the original purchaser and all
4 transferees;

5 (2) Tax identification number of all persons entitled to any
6 portion of the original income tax credit;

7 (3) Original date the income tax credit was approved;

8 (4) Amount of the income tax credit associated with the transfer
9 of the income tax credit;

10 (5) Original amount of the income tax credit; and

11 (6) Remaining amount of the income tax credit that is available
12 for use by the transferee.

13 (d) A transferee under this section is subject to the carry-over
14 provisions provided in this subchapter based on the taxable year in which the
15 income tax credit originated.

16 (e)(1) If a project is not completed or maintained for the total
17 number of years required under § 26-51-1011, the transferor that originally
18 received the income tax credit under this subchapter is responsible for
19 refunding the income tax credit to the Department of Finance and
20 Administration as provided in § 26-51-1011.

21 (2) The transferee of an income tax credit under this subchapter
22 is not liable for the repayment of the income tax credit allowed under this
23 subchapter if the transferor that originally received the income tax credit
24 fails to complete or maintain the project under § 26-51-1011.

25 (f) An owner or holder that assigns part or all of an income tax
26 credit under this section shall perfect the transfer by notifying the
27 Department of Finance and Administration in writing within thirty (30)
28 calendar days following the effective date of the transfer and shall provide
29 any information as may be required by the department to administer and carry
30 out this subchapter and to ensure proper tracking of the ownership of the
31 unused income tax credit.

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33 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax
34 years beginning on or after January 1, 2020.

/s/J. Dismang

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