

SENATE AMENDMENT 1 TO HB1006.

deleting lines 10 through 19 on page 9 and replacing them with the following:

"(2) (A) So much of the gain, if any, resulting from the sale or exchange of property which is located within the State of Arkansas, used by the taxpayer as his principal residence, which shall, within a period beginning two (2) years prior to the date of sale or exchange and ending two (2) years after that date, be applied by the taxpayer to purchase, acquire, construct, or reconstruct other property which is thereafter used or to be used by the taxpayer as his principal residence if the new residence is within the State of Arkansas;

(B) Gain from the sale or exchange of property if, during the 5-year period ending on the date of the sale or exchange, such property has been owned and used by the taxpayer as the taxpayer's principal residence for periods aggregating three (3) years or more. In the case of an unmarried individual whose spouse is deceased on the date of sale or exchange of the property, if the deceased spouse (during the 5-year period ending on the date of the sale or exchange) satisfied the holding and use requirements of the preceding sentence with respect to such property, then such individual shall be treated as satisfying the holding and use requirements of the preceding sentence with respect to such property;"