

ARKANSAS SENATE
85th General Assembly - Regular Session, 2005
Amendment Form

Subtitle of Senate Bill No. 1191

"TO PROVIDE AN INCOME TAX CREDIT FOR THE PURCHASE OF INSULATION
INSTALLED IN RESIDENTIAL RENTAL PROPERTY."

Amendment No. 1 to Senate Bill No. 1191.

Amend Senate Bill No. 1191 as originally introduced:

Page 1, delete lines 28 through 32 and substitute:

"a residence if the insulation is:

(1) Purchased on or after January 1, 2005; and

(2) Installed on or after January 1, 2005, in a structure that
was constructed before January 1, 2005.

(b)(1) The credit allowed under this section:

(A) May only be used for the tax year in which the credit
was earned to offset the tax liability of the taxpayer for that tax year;

(B) Is not refundable; and

(C) May not be carried forward.

(2)(A) If insulation is purchased and installed in the same tax
year, the credit is earned under this section in that tax year.

(B) If insulation is purchased in one (1) tax year and
installed in a separate tax year, the credit is earned under this section:

(i) On the purchase of insulation in the tax year in
which the insulation is purchased; and

(ii) On the cost of installation of the insulation
in the tax year in which the insulation is installed.

(c) If a pass-through entity owned by two (2) or more persons earns a
tax credit under this section, the tax credit may be allocated among the
pass-through entity owners by:

(1) The method selected by the owners and described in the
governing documents of the pass-through entity; or

(2) Other written agreement among the owners.

(d) If a taxpayer claims a tax credit under this section and the
Director of the Department of Finance and Administration subsequently
determines that the taxpayer did not qualify for the tax credit, the director
shall assess the taxpayer the amount of the tax credit claimed along with any
applicable interest and penalty as authorized by the Arkansas Tax Procedure
Act, § 26-18-101 et seq.

(e) This section shall be effective for tax years beginning on or
after January 1, 2005."



The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Madison

BBC/BBC - 03-16-2005 08:03

BBC372

Secretary