

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.

INTERIM STUDY PROPOSAL 2007-052

State of Arkansas  
86th General Assembly  
Regular Session, 2007

**A Bill**

HOUSE BILL 2314

By: Representative Sumpter

Referred to  
Revenue & Taxation- House  
by the House of Representatives  
on 03/29/2007

**For An Act To Be Entitled**

AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR THE  
PURCHASE OF NEW QUALIFIED HYBRID VEHICLES; AND  
FOR OTHER PURPOSES.

**Subtitle**

TO PROVIDE AN INCOME TAX CREDIT FOR THE  
PURCHASE OF NEW QUALIFIED HYBRID  
VEHICLES.

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

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

26-51-513. Qualified hybrid vehicle tax credit.

(a) As used in this section:

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

(2) "Qualified hybrid vehicle" means a new vehicle that has all of the following characteristics:

(A) A hybrid gasoline or hybrid diesel engine;

(B) An electric drive train;

(C) Regeneration braking;

1                    (D) An energy storage device or battery capable of  
2 providing motion for the vehicle; and

3                    (E) A miles-per-gallon rating from the United States  
4 Environmental Protection Agency that is at least twenty-five percent (25%)  
5 higher than the miles-per-gallon rating designated for a comparable vehicle  
6 that does not have hybrid characteristics.

7                    (b) A taxpayer is allowed an income tax credit of seven hundred fifty  
8 dollars (\$750) against the income tax imposed by the Income Tax Act of 1929,  
9 § 26-51-101 et seq., for the purchase during the taxable year of a qualified  
10 hybrid vehicle.

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

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15                    SECTION 2. This act shall apply to tax years beginning on or after  
16 January 1, 2007.

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