

INTERIM STUDY PROPOSAL 2009-226

1
2 State of Arkansas
3 87th General Assembly
4 First Extraordinary Session, 2010

A Bill

Call Item ##
MMC/CDS
SENATE BILL

5
6 By: Senator Altes

7
8 Filed with: Senate Committee on Revenue and Taxation
9 pursuant to A.C.A. §10-3-217.

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11 **For An Act To Be Entitled**

12 AN ACT TO PROVIDE AN INCOME TAX CREDIT TO
13 EMPLOYEES THAT DONATE UNUSED LEAVE TIME TO THE
14 CATASTROPHIC LEAVE BANK PROGRAM; AND FOR OTHER
15 PURPOSES.

16
17 **Subtitle**

18 TO PROVIDE AN INCOME TAX CREDIT TO
19 EMPLOYEES THAT DONATE UNUSED LEAVE TIME
20 TO THE CATASTROPHIC LEAVE BANK PROGRAM.

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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 5 is amended
26 to add an additional section to read as follows:

27 26-51-513. Donation to catastrophic leave bank program tax credit.

28 (a) As used in this section, "catastrophic leave bank program" means
29 the program established under § 21-4-214.

30 (b) A taxpayer that donates accrued annual leave or sick leave to the
31 catastrophic leave bank program is eligible for a tax credit against the
32 income tax imposed by the Income Tax Act of 1929, § 26-51-101 et seq., with
33 the tax credit being calculated in accordance with subsection (c) of this
34 section.

35 (c) A tax credit of ten dollars (\$10.00) for each eight (8) hours of
36 accrued annual leave or sick leave donated to the catastrophic leave bank

1 program during a tax year is allowed under this section.

2 (d)(1) The amount of the tax credit under this section that may be
3 used by the taxpayer in a tax year shall not exceed the amount of individual
4 income tax liability.

5 (2) Any unused tax credit under this section may not be carried
6 forward.

7 (e) The Director of the Department of Finance and Administration shall
8 promulgate rules administering this section, including without limitation the
9 filing of documentation verifying the requirements of this section.

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11 SECTION 2. Effective Date. This act is effective for tax years
12 beginning on or after January 1, 2009.

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36 Filed Date: 02/05/2010 By: MMC\CDS