

State of Arkansas

77th General Assembly

Regular Session, 1989

A Bill

HOUSE BILL

1122

By: Representative Northcutt

For An Act To Be Entitled

"AN ACT TO ESTABLISH A DEDUCTION FROM ARKANSAS INCOME TAX FOR MILEAGE FOR NECESSARY TRAVEL IN CONNECTION WITH VOLUNTEER SERVICE; AND FOR OTHER PURPOSES."

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

SECTION 1. In computing net income for the purpose of the Arkansas income tax there shall be allowed as a deduction, in addition to all other deductions allowed by law for charitable and volunteer services to state departments or charitable organizations:

(a) A deduction for mileage for necessary travel in connection with voluntary service to a state department or agency or any private nonprofit corporation, association, or group which is recognized by the laws of this state as performing a nonprofit charitable purpose benefiting citizens of this state. The deduction shall be computed by multiplying the number of qualifying miles traveled by the difference between the mileage rate provided by law or appropriate travel regulation applicable to travel made by paid employees of a state department and the rate established by federal law or regulation for mileage traveled for charitable purposes.

(b) A deduction for unreimbursed meals, lodging, and transportation other than mileage as noted above, or other out-of-pocket expenses incurred by the volunteer and voluntary service to a department for which the volunteer has not received reimbursement from public funds, but which would be reimbursable if incurred by paid employees of a department acting within the scope of their employment.

SECTION 2. The provisions of this Act shall apply to income years beginning on or after January 1, 1989. "Income year" shall have the same meaning as provided in Arkansas Code 26-51-102.

SECTION 3. All provisions of this Act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 4. Arkansas Code §21-13-111 and all laws and parts of laws in conflict with this Act are hereby repealed.