

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995

A Bill

HOUSE BILL 1321

4 By: Representatives Northcutt, Calhoun, Fletcher, G. Hendrix, Rorie, Wagner

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For An Act To Be Entitled

8 "AN ACT TO ADOPT SECTIONS 126 AND 175 OF THE INTERNAL
9 REVENUE CODE OF 1986 AS IN EFFECT ON JANUARY 1, 1995
10 REGARDING SOIL AND WATER CONSERVATION; AND FOR OTHER
11 PURPOSES."

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Subtitle

14 "TO ADOPT SECTIONS 126 AND 175 OF THE
15 INTERNAL REVENUE CODE OF 1986 REGARDING
16 SOIL AND WATER CONSERVATION."

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

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20 SECTION 1. Arkansas Code Annotated §26-51-404(b) is amended by adding
21 a new subdivision to read as follows:

22 "(b)(16) Section 126 of the Internal Revenue Code of 1986, as in
23 effect on January 1, 1995, regarding the exclusion of certain agricultural
24 cost-share program payments from gross income is hereby adopted for the
25 purpose of computing Arkansas income tax liability."

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27 SECTION 2. Section 175 of the Internal Revenue Code of 1986, as in
28 effect on January 1, 1995, regarding the deduction of certain expenditures
29 related to soil and water conservation is hereby adopted.

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31 SECTION 3. This act shall become effective for taxable years beginning
32 on or after January 1, 1995.

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34 SECTION 4. All provisions of this act of a general and permanent
35 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas

1 Code Revision Commission shall incorporate the same in the Code.

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4 SECTION 5. If any provision of this act or the application thereof to
5 any person or circumstance is held invalid, such invalidity shall not affect
6 other provisions or applications of the act which can be given effect without
7 the invalid provision or application, and to this end the provisions of this
8 act are declared to be severable.

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10 SECTION 6. All laws and parts of laws in conflict with this act are
11 hereby repealed.

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13 SECTION 7. Emergency. It is hereby found and determined that in order
14 to preserve and protect Arkansas_ water and wetland resources, including
15 conserving, enhancing, and restoring the acreage, quality, biological
16 diversity and ecosystem sustainability of the Arkansas Wetlands, certain
17 changes to the Arkansas income tax laws regarding agricultural cost share
18 programs and the method of expensing soil and water conservation practices
19 are necessary; that these changes are necessary immediately in order to
20 protect and preserve Arkansas' water resources and the restoration and
21 creation of wetlands; and that this act is necessary to effectuate that
22 purpose. Therefore, an emergency is hereby declared to exist and this act
23 being necessary for the preservation of public peace, health and safety shall
24 be in full force and effect from and after its passage and approval.

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