

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997
4
5 By: Senator Webb

A Bill

SENATE BILL 686

For An Act To Be Entitled

9 "AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR BUSINESSES
10 WHICH EMPLOY THE SERVICES OF A CONTRACTOR WHO PROVIDES
11 HEALTH INSURANCE AND PENSION OR RETIREMENT BENEFITS FOR
12 ITS EMPLOYEES; AND FOR OTHER PURPOSES."

Subtitle

15 "TO PROVIDE AN INCOME TAX CREDIT FOR
16 BUSINESSES WHICH EMPLOY THE SERVICES OF
17 A CONTRACTOR WHO PROVIDES HEALTH
18 INSURANCE AND PENSION OR RETIREMENT
19 BENEFITS FOR ITS EMPLOYEES."

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

23 SECTION 1. (a) There shall be allowed a credit against the tax imposed
24 by the Arkansas Income Tax Act, § 26-51-101 et seq. in an amount equal to ten
25 percent (10%) of the contract price for any business which employees a
26 qualified contractor on a qualified project.

27 (b) For purposes of this act:

28 (1) "Business" means any corporation, partnership, individual, sole
29 proprietorship, limited liability company, joint-stock company, joint venture,
30 or any other legal entity;

31 (2) "Contractor" means any person, firm, partnership,
32 copartnership, association, corporation, or other organization, or any
33 combination thereof, who, for a fixed price, commission, fee, or wage,
34 contracts or undertakes to construct, or assumes charge, in a supervisory
35 capacity or otherwise, or manages the construction, erection, alteration, or
36 repair, or has or have constructed, erected, altered, or repaired, under his,

1 their, or its direction, any building, apartment, condominium, highway, sewer,
2 utility, grading, or any other improvement or structure on public or private
3 property for lease, rent, resale, public access, or similar purpose, when the
4 cost of the work to be done, or done, in the State of Arkansas by the
5 contractor, including, but not limited to, labor and materials, is five
6 hundred thousand dollars (\$500,000) or more.

7 (3) "Qualified contractor" means a contractor which provides
8 health insurance and pension or retirement benefits for its employees and
9 employs fifty percent (50%) of its employees from the county in which the
10 contract is to be performed.

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12 SECTION 3. The provisions of this act are effective for taxable years
13 beginning on and after January 1, 1998.

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15 SECTION 4. All provisions of this act of a general and permanent nature
16 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
17 Revision Commission shall incorporate the same in the Code.

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

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

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