

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999

A Bill

HOUSE BILL 1979

4
5 By: Representative Womack
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For An Act To Be Entitled

8
9 "AN ACT TO ESTABLISH A TAX INCENTIVE FOR SMOKE-FREE
10 RESTAURANTS; AND FOR OTHER PURPOSES."

Subtitle

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13 "AN ACT TO ESTABLISH A TAX INCENTIVE FOR
14 SMOKE-FREE RESTAURANTS."

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

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19 SECTION 1. (a) It is found and determined by the General Assembly
20 that:

21 (1) Under the settlement in State of Arkansas v. American Tobacco
22 Company et al., IJ97-2982, Sixth Division Pulaski County Chancery Court, the
23 state will receive funds from tobacco companies;

24 (2) The revenues are expected to be received over a period of
25 approximately twenty (20) years;

26 (3) A primary use of the funds should be to promote the health of
27 the citizens of this state, particularly as it relates to smoking;

28 (4) Many Arkansans are concerned with the health risks and
29 discomfort caused by secondary smoke in public places such as restaurants; and

30 (5) To encourage the establishment of smoke-free environments in
31 restaurants a tax incentive should be established for a period that is similar
32 to the period in which settlement payments are expected.

33 (b) It is the intent of this act that a portion of the funds to be
34 received under the settlement should be used to replace any loss of revenues
35 caused by the granting of the tax credit in this act.
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1 SECTION 2. (a)(1) A taxpayer who owns a smoke-free restaurant shall be
 2 entitled to a credit against the tax imposed by the Arkansas Income Tax Act,
 3 as amended, which begins at Arkansas Code 26-51-101. The credit allowed for
 4 each taxable year shall be one thousand dollars (\$1,000) for each smoke-free
 5 restaurant owned by the taxpayer.

6 (2) To claim the benefits of this section, a taxpayer must obtain
 7 a certification from the Department of Health that the restaurant is a smoke-
 8 free restaurant.

9 (b) The Revenue Division of the Department of Finance and
 10 Administration shall promulgate such rules and regulations as may be deemed
 11 necessary to carry out the purposes of this section.

12 (c) For the purpose of this section "smoke-free restaurant" means a
 13 restaurant in which the smoking of any cigarette, cigar, pipe, or other
 14 tobacco product is prohibited at all times in any area in which food is served
 15 or prepared.

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 17 SECTION 3. This act shall be effective for taxable years 1999 through
 18 2019.

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

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

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