

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 85th General Assembly  
3 Regular Session, 2005  
4

# A Bill

HOUSE BILL 1108

5 By: Representative Childers  
6  
7

## For An Act To Be Entitled

9 AN ACT TO ALLOW CHARITABLE CASH CONTRIBUTIONS FOR  
10 TSUNAMI RELIEF TO BE TREATED AS IF MADE IN 2004  
11 FOR PURPOSES OF INCOME TAX DEDUCTIONS; AND FOR  
12 OTHER PURPOSES.  
13

## Subtitle

14 AN ACT TO ALLOW CHARITABLE CASH  
15 CONTRIBUTIONS FOR TSUNAMI RELIEF TO BE  
16 TREATED AS IF MADE IN 2004 FOR PURPOSES  
17 OF INCOME TAX DEDUCTIONS.  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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23 SECTION 1. Arkansas Code § 26-51-419 is amended to read as follows:  
24 26-51-419. Deductions - Charitable contributions.

25 (a) Section 170 of the Internal Revenue Code of 1986, as in effect on  
26 January 1, 2001, regarding deductions for charitable contributions, is hereby  
27 adopted for the purpose of computing Arkansas income tax liability. This  
28 adoption is for taxable years beginning on or after January 1, 2001, and will  
29 have no effect on years prior to its adoption. Provided, however, with  
30 respect to contributions of qualified appreciated stock within the meaning of  
31 Internal Revenue Code § 170(e)(5) made after May 31, 1997, the provisions of  
32 this section shall apply after taking into account the extension of the  
33 provisions of Internal Revenue Code § 170(e)(5) by § 602 of the Taxpayer  
34 Relief Act of 1997 and § 1004(a) of the Tax Extension Act.

35 (b) The provisions of subsection (a) of this section shall apply to a  
36 corporation that files an Arkansas consolidated corporation income tax return



1 pursuant to § 26-51-805, provided that each member of the affiliated group  
2 shall follow the provisions of § 26-51-805(f) and calculate its contribution  
3 limits separately.

4 (c) A cash contribution made in January 2005 for the relief of victims  
5 in areas affected by the December 26, 2004 Indian Ocean tsunami may be  
6 treated as if the contribution was made on December 31, 2004, if the  
7 contribution meets all other requirements for treatment as a charitable  
8 contribution under this section.

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10 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
11 General Assembly of the State of Arkansas that tsunami victims are in dire  
12 need of financial assistance; that charitable contributions to relief  
13 organizations are a necessary source of financial aid; and that allowing  
14 taxpayers to treat contributions made in January 2005 as if made in 2004 for  
15 purposes of income tax deductions may encourage more contributions.  
16 Therefore, an emergency is declared to exist and this act being immediately  
17 necessary for the preservation of the public peace, health, and safety shall  
18 become effective on:

19 (1) The date of its approval by the Governor;

20 (2) If the bill is neither approved nor vetoed by the Governor,  
21 the expiration of the period of time during which the Governor may veto the  
22 bill; or

23 (3) If the bill is vetoed by the Governor and the veto is  
24 overridden, the date the last house overrides the veto.

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