

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

A Bill

HOUSE BILL 1109

4
5 By: Representatives D. Johnson, Childers
6
7

For An Act To Be Entitled

8
9 AN ACT TO PERMIT THE ACCELERATION OF INCOME TAX
10 BENEFITS FOR CHARITABLE CASH CONTRIBUTIONS FOR
11 RELIEF OF INDIAN OCEAN TSUNAMI VICTIMS; AND FOR
12 OTHER PURPOSES.
13

Subtitle

14
15 AN ACT TO PERMIT THE ACCELERATION OF
16 INCOME TAX BENEFITS FOR CHARITABLE CASH
17 CONTRIBUTIONS FOR RELIEF OF INDIAN OCEAN
18 TSUNAMI VICTIMS.
19
20
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. Arkansas Code § 26-51-419 is amended to read as follows:
25 26-51-419. Deductions - Charitable contributions.

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

36 (b) The provisions of subsection (a) of this section shall apply to a



1 corporation that files an Arkansas consolidated corporation income tax return
 2 pursuant to § 26-51-805, provided that each member of the affiliated group
 3 shall follow the provisions of § 26-51-805(f) and calculate its contribution
 4 limits separately.

5 (c) For purposes of subsection (a) of this section, a cash
 6 contribution made in January 2005 for the relief of victims in areas affected
 7 by the December 26, 2004 Indian Ocean tsunami, for which a charitable
 8 contribution deduction is allowed under § 170 of the Internal Revenue Code of
 9 1986, may be treated as if the contribution was made on December 31, 2004,
 10 and not in January 2005.

11
 12 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
 13 General Assembly of the State of Arkansas that the Indian Ocean tsunami of
 14 December 26, 2004, has created an urgent need for financial relief efforts;
 15 that citizens of the State of Arkansas have made contributions toward the
 16 relief efforts in response to this great need; that such contributions made
 17 in January 2005 to the relief efforts should be treated for income tax
 18 purposes as made on December 31, 2004, if a taxpayer chooses; and that this
 19 act is immediately necessary so that taxpayers may claim the deduction on
 20 their 2004 income tax returns. Therefore, an emergency is declared to exist
 21 and this act being immediately necessary for the preservation of the public
 22 peace, health, and safety shall become effective on:

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

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

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