

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

As Engrossed: H2/16/05

A Bill

HOUSE BILL 1496

5 By: Representative Jackson
6
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE ARKANSAS ENTERPRISE ZONE ACT
10 OF 1993 TO REQUIRE THAT QUALIFYING EMPLOYEES BE
11 HIRED WITHIN SIXTY (60) MONTHS OF APPROVAL OF THE
12 INCENTIVE AGREEMENT; TO PROVIDE THAT THE INCOME
13 TAX CREDIT MAY BE CARRIED FORWARD FOR NINE (9)
14 YEARS; AND FOR OTHER PURPOSES.

Subtitle

16 AN ACT TO AMEND THE ARKANSAS ENTERPRISE
17 ZONE ACT OF 1993 TO REQUIRE THAT
18 EMPLOYEES BE HIRED WITHIN SIXTY (60)
19 MONTHS OF APPROVAL OF THE INCENTIVE
20 AGREEMENT AND TO AMEND THE INCOME TAX
21 CREDIT CARRYFORWARD PROVISIONS.
22
23
24

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
26

27 SECTION 1. Arkansas Code § 15-4-1704(h), concerning the income tax
28 credit available under the Arkansas Enterprise Zone Act of 1993, is amended
29 to read as follows:

30 (h)(1) The Revenue Division of the Department of Finance and
31 Administration shall authorize an income tax credit equal to one hundred
32 (100) times the average hourly wage paid, with a maximum of three thousand
33 dollars (\$3,000) per net new full-time permanent employee hired within sixty
34 (60) months following the date of the approved financial incentive plan of a
35 business qualifying under subsection (b) of this section.

36 (2)(A) This tax credit ~~shall~~ may be used for the taxable year in



1 *which the net new full-time permanent employee was hired.*

2 *(B) However, with respect to projects approved prior to*
3 *March 25, 1997, if the entire credit cannot be used in the year earned, the*
4 *remainder may be applied against the income tax for the succeeding four (4)*
5 *years or until the credit is entirely used, whichever occurs first. For*
6 *projects approved on or after March 25, 1997, the credit may be applied*
7 *against income tax for the succeeding nine (9) years or until the credit is*
8 *entirely used, whichever occurs first.*

9 *(3) The multiplier allowed under this section shall be four*
10 *hundred (400) multiplied by the average hourly wage paid with a maximum*
11 *credit of six thousand dollars (\$6,000) if the business is located in a high-*
12 *unemployment county.*

13
14 */s/ Jackson*
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36