1 State of Arkansas

2 85th General Assembly   A Bill

3 Regular Session, 2005   HOUSE BILL   1692

4

5 By: Representative Wells

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8   **For An Act To Be Entitled**

9   AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR GRAPE

10   AND MUSCADINE GROWERS AND WINE PRODUCERS IN THIS

11   STATE; AND FOR OTHER PURPOSES.

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13   **Subtitle**

14   TO PROVIDE AN INCOME TAX CREDIT FOR

15   GRAPE, MUSCADINE, AND WINE PRODUCERS.

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

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20   SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 5 is amended

21 to add an additional section to read as follows:

22   26-51-512. Tax credit for grape and muscadine growers and wine

23 producers.

24   (a)(1) There shall be allowed a credit against the tax imposed by the

25 Income Tax Act of 1929, § 26-51-101 et seq., in the amount of fifty percent

26 (50%) of the purchase price of any new equipment or materials used directly

27 to grow grapes or muscadines within this state for any taxpayer engaged in

28 the business of growing grapes or muscadines.

29   (2) There shall be allowed a credit against the tax imposed by

30 the Income Tax Act of 1929, § 26-51-101 et seq., in the amount of fifty

31 percent (50%) of the purchase price of any new equipment or materials used

32 directly to produce wine within this state for any taxpayer engaged in the

33 business of producing wine for sale.

34   (b) A credit allowed under this section will expire after ten (10) tax

35 years following the tax year in which the credit was earned.

36   (c) A credit allowed under this section cannot be sold or transferred.

1   (d) The Department of Finance and Administration shall promulgate

2 rules necessary to administer this section.

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4   SECTION 2. This act is applicable to tax years beginning on or after

5 January 1, 2005.

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