

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 1757

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

8
9 AN ACT TO RESTRICT THE AVAILABILITY OF TOURISM
10 ATTRACTION PROJECT INCOME AND SALES TAX CREDITS
11 FOR LODGING FACILITIES; AND FOR OTHER PURPOSES.
12

Subtitle

13
14 AN ACT TO RESTRICT THE AVAILABILITY OF
15 TOURISM ATTRACTION PROJECT INCOME AND
16 SALES TAX CREDITS FOR LODGING
17 FACILITIES.
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19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. Arkansas Code § 15-11-503(11), pertaining to the definition
23 of "tourism attraction" for purposes of tourism project tax credits, is
24 amended to read as follows:

25 (11)(A) "Tourism attraction" means:

- 26 (i) Cultural or historical sites;
- 27 (ii) Recreational or entertainment facilities;
- 28 (iii) Areas of natural phenomena or scenic beauty;
- 29 (iv) Theme parks;
- 30 (v) Amusement or entertainment parks;
- 31 (vi) Indoor or outdoor plays or music shows;
- 32 (vii) Botanical gardens; and
- 33 (viii) Cultural or educational centers.

34 (B) A tourism attraction shall not include:

35 (i) Lodging facilities, unless the facilities
36 constitute a portion of a tourism attraction project and represent less than



1 sixty percent (60%) of the total approved costs of the tourism attraction
2 project ~~or unless the project meets the special rules outlined in § 15-11-~~
3 ~~510;~~

4 (ii) Facilities that are primarily devoted to the
5 retail sale of goods, unless the goods are created at the site of the tourism
6 attraction project or if the sale of goods is incidental to the tourism
7 attraction project;

8 (iii) Facilities that are not open to the general
9 public;

10 (iv) Facilities that do not serve as a likely
11 destination where individuals who are not residents of the state would remain
12 overnight in commercial lodging at or near the tourism attraction project;

13 (v) Facilities owned by the State of Arkansas or a
14 political subdivision of the state; or

15 (vi) (a) Facilities established for the purpose of
16 conducting legalized gambling.

17 (b) However, a facility regulated under the
18 Arkansas Horse Racing Law, § 23-110-101 et seq., or the Arkansas Greyhound
19 Racing Law, § 23-111-101 et seq., shall be a tourism attraction for purposes
20 of this subchapter for any approved project as outlined in subdivision
21 (10)(A) of this section or for an approved project relating to pari-mutuel
22 racing at the facility and not for establishing a casino or for offering
23 casino-style gambling; and

24
25 SECTION 2. Arkansas Code § 15-11-510 is amended to read as follows:
26 15-11-510. Special rules for certain lodging facilities.

27 (a) A lodging facility may qualify as a tourism attraction project, as
28 defined in § 15-11-503, entitled to the benefits of this subchapter even
29 though the lodging costs represent one hundred percent (100%) of the total
30 project costs, provided the approved costs for the lodging facility exceed
31 five million dollars (\$5,000,000), and:

32 (1) The lodging facility is attached to a convention center
33 containing a minimum of seventy-five thousand (75,000) square feet; or

34 (2) The lodging facility contains a minimum of twelve thousand
35 (12,000) square feet of meeting or exhibit space.

36 (b)(1) A lodging facility qualifying as a tourism attraction project

1 under this section shall be entitled to the sales tax benefits as provided in
2 § 15-11-507(b)(1)(B), provided that all other requirements of this subchapter
3 regarding tourism attraction projects are satisfied.

4 (2) The sales tax credit shall be available only against the
5 increased sales tax liability for the tourism attraction project.

6 (c) This section shall apply only to a lodging facility for which
7 final approval was given by the Director of the Department of Economic
8 Development under § 15-11-505 before the effective date of this subsection
9 (c).

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