

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: H3/16/05

# A Bill

HOUSE BILL 2842

5 By: Representative Dobbins  
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## For An Act To Be Entitled

9 AN ACT TO CREATE THE ARKANSAS RICE STRAW TAX  
10 CREDIT PROGRAM; AND FOR OTHER PURPOSES.  
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## Subtitle

12 AN ACT TO CREATE THE ARKANSAS RICE STRAW  
13 TAX CREDIT PROGRAM.  
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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19 *SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 5 is amended*  
20 *to add an additional section to read as follows:*

21 *26-51-512. Rice straw tax credit.*

22 *(a) As used in this section:*

23 *(1) "End user" means a person who purchases and uses rice straw*  
24 *for processing, generation of energy, manufacturing, export, erosion*  
25 *prevention, animal feed or bedding, compost production, or for any purpose*  
26 *other than open field burning; and*

27 *(2) "Rice straw" means the dry stems of rice left after the seed*  
28 *heads have been removed.*

29 *(b)(1) There is allowed a credit against the income tax imposed by the*  
30 *Income Tax Act of 1929, § 26-51-101 et seq. in the amount of fifteen dollars*  
31 *(\$15.00) for each ton of rice straw that is purchased by the taxpayer who is*  
32 *the end user.*

33 *(2) The amount of credit that may be used by the taxpayer for a*  
34 *taxable year may not exceed the amount of income tax due for that tax year.*

35 *(3) Any unused credit may be carried forward for ten (10)*  
36 *consecutive tax years following the tax year the credit was earned.*



1           (c) A taxpayer who claims a credit under this section shall not claim  
2 any other state tax credit or deduction for the purchase of rice straw.

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SECTION 2. This act shall become effective for tax years beginning on  
and after January 1, 2006.

/s/ Dobbins