

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 As Engrossed: H3/16/05 H3/24/05 H3/30/05 H3/31/05 H4/5/05

2 85th General Assembly

# A Bill

3 Regular Session, 2005

HOUSE BILL 2842

4  
5 By: Representative Dobbins

## For An Act To Be Entitled

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

## Subtitle

13 AN ACT TO CREATE THE ARKANSAS RICE STRAW  
14 TAX CREDIT PROGRAM.

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

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, manufacturing, generating energy, or producing ethanol; and*

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

27 *(b)(1) There is allowed a credit against the income tax imposed by the*  
28 *Income Tax Act of 1929, § 26-51-101 et seq. in the amount of fifteen dollars*  
29 *(\$15.00) for each ton of rice straw over five hundred (500) tons that is*  
30 *purchased by an Arkansas taxpayer who is the end user.*

31 *(2) The amount of credit that may be used by the taxpayer for a*  
32 *taxable year may not exceed fifty percent (50%) of the amount of income tax*  
33 *due for that tax year.*

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

36 *(c) A taxpayer who claims a credit under this section shall not claim*



1 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