

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 86th General Assembly  
3 Regular Session, 2007  
4

# A Bill

HOUSE BILL 2278

5 By: Representative Moore  
6  
7

## For An Act To Be Entitled

9 AN ACT TO CREATE AN INCOME TAX CREDIT FOR  
10 GEOTOURISM INVESTMENT IN THE LOWER MISSISSIPPI  
11 RIVER DELTA; AND FOR OTHER PURPOSES.  
12

### Subtitle

14 "THE DELTA GEOTOURISM INCENTIVE ACT OF  
15 2007."  
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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20 SECTION 1. Title. This act shall be known and cited as "The Delta  
21 Geotourism Incentive Act of 2007".  
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23 SECTION 2. Legislative findings and purpose.

24 The General Assembly finds that:

25 (1) It is in the best interest of the population of the State of  
26 Arkansas to promote the economic development of the Lower Mississippi River  
27 Delta through geotourism by providing a limited rural income tax credit to  
28 persons and entities that invest in geotourism-supporting businesses that  
29 attract and accommodate out of state visitors and that serve to preserve,  
30 perpetuate, interpret, and present the rich culture, history, and natural  
31 resources of the Lower Mississippi River Delta community; and

32 (2) The State of Arkansas' primary concern is to:

33 (A) Stimulate the flow of private capital for geotourism  
34 and geotourism-supporting businesses in the Lower Mississippi River Delta;

35 (B) Provide financial incentive for the development of  
36 geotourism and geotourism-supporting businesses in the Lower Mississippi



1 River Delta;

2 (C) Create a new geotourism-based economy and thereby  
3 promote quality job growth in the Lower Mississippi River Delta by fostering  
4 the development of geotourism and geotourism-supporting businesses; and

5 (D) Enhance the quality of life of persons residing in the  
6 Lower Mississippi River Delta.

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8 SECTION 3. Definitions.

9 As used in this act:

10 (1) "Economically distressed area" means a county-wide area in  
11 Arkansas in which the percentage of families that earn income below poverty  
12 level exceeds twenty-three percent (23%), based on year 2000 income levels as  
13 compiled by the Bureau of the Census, United States Department of Commerce  
14 demographic profiles;

15 (2) "Geotourism" means tourism that sustains or enhances the  
16 geographical character of an area including without limitation, its  
17 environment, heritage, aesthetics, culture, natural resources, and well-being  
18 of its residents.

19 (3) "Geotourism attraction" means an environmental, aesthetic,  
20 cultural, or natural point of interest in an area of natural phenomena or  
21 scenic beauty that attracts tourists to experience and appreciate the  
22 environmental, aesthetic, cultural, or natural point of interest including  
23 without limitation:

24 (A) A geological monument;

25 (B) A lake;

26 (C) A mountain;

27 (D) A park;

28 (E) A river;

29 (F) A species of animal abundant or unique to a particular  
30 area;

31 (G) A species of bird abundant or unique to a particular  
32 area;

33 (H) A species of insect abundant or unique to a particular  
34 area;

35 (I) A wetland or aquatic resources area; and

36 (J) An historic site;

1           (4)(A) "Geotourism-supporting business" means a business  
 2 necessary to support a geotourism attraction by constructing, expanding or  
 3 re-modeling a retail facility including without limitation, cultural or  
 4 educational centers, indoor or outdoor plays or music shows, recreational or  
 5 entertainment facilities, art and antique stores, gift shops, sporting goods  
 6 retail or rental establishments, guide services, transient lodging facilities  
 7 including RV parks, campgrounds, and bed and breakfasts, dining  
 8 establishments, and other businesses that supply amenities and accommodations  
 9 to geotourists attracted to the area.

10                   (B) "Geotourism-supporting business" does not include:

11                           (i) Facilities that are not open to the general  
 12 public; or

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

15           (5) "Geotourist" means a person who travels to an area to enjoy  
 16 the area's natural habitats, heritage sites, scenic appeals, and local  
 17 culture;

18           (6) "Lower Mississippi River Delta" means a county in Arkansas  
 19 or portion of a county in Arkansas whose land area includes an alluvial plain  
 20 created by the Mississippi River; and

21           (7) "Person or entity" means a sole proprietorship, partnership,  
 22 LLC, or corporation.

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 24           SECTION 3. Income tax credit for geotourism development.

25           (a) To qualify for an income tax credit under this act, a person or  
 26 entity shall invest a minimum of twenty-five thousand dollars (\$25,000) in a  
 27 geotourism-supporting business located in the Lower Mississippi River Delta  
 28 that meets the following criteria:

29                   (1) In an economically distressed area;

30                   (2) In an incorporated area or a city with a population of less  
 31 than sixteen-thousand (16,000) as determined by the U.S. Census Report of  
 32 2000;

33                   (3) Within five (5) miles of a national scenic byway; and

34                   (4) Within fifteen (15) miles of:

35                           (A) Public access to a navigable river; or

36                           (B) An Arkansas State Park; or

1                   (C) An Arkansas State Game and Fish Commission wildlife  
 2 management area.

3           (b)(1) A person or entity is eligible to receive an income tax credit  
 4 under this act equal to twenty-five percent (25%) of the amount of an  
 5 investment for a purpose described in subsection (a) of this section for the  
 6 year that the investment is made provided that the geotourism-supporting  
 7 business is currently operating as a business.

8           (2) For any tax year, the maximum amount of investment to be  
 9 considered in determining the income tax credit under this act is one hundred  
 10 thousand dollars (\$100,000).

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 12           SECTION 4. Rules and regulations.

13           (a) The Department of Finance and Administration shall promulgate  
 14 rules necessary to implement this act.

15           (b) The Department of Finance and Administration shall consult with  
 16 the Arkansas Department of Parks and Tourism in promulgating rules under this  
 17 act.

18           (c) The Department of Finance and Administration and the Arkansas  
 19 Department of Parks and Tourism may inspect facilities and records of a  
 20 person or an entity requesting or receiving an income tax credit under this  
 21 act as necessary to verify a claim.

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 23           SECTION 5. Expiration.

24           (a) This act expires at the end of the 2011 tax year.

25           (b) If the geotourism-supporting business is currently operating as a  
 26 business, an unused income tax credit under this act may be carried forward  
 27 on an income tax return for five (5) years after the year in which the income  
 28 tax credit was first earned or until exhausted, whichever event occurs first.

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 30           SECTION 6. EMERGENCY CLAUSE. It is found and determined by the General  
 31 Assembly of the State of Arkansas that the Lower Mississippi River Delta is  
 32 an area of the state that is rich in culture, diversity, history and natural  
 33 environmental beauty and yet is economically distressed; that the development  
 34 of a geotourism industry in the Lower Mississippi River Delta will spur  
 35 growth and economic opportunity for all Arkansans; and that the economy of  
 36 the Lower Mississippi River Delta cannot withstand any delay of economic

1 incentive or relief. Therefore, an emergency is declared to exist and this  
2 act being necessary for the preservation of the public peace, health, and  
3 safety shall become effective on:

4 (1) The date of its approval by the Governor;

5 (2) If the bill is neither approved nor vetoed by the Governor,  
6 the expiration of the period of time during which the Governor may veto the  
7 bill; or

8 (3) If the bill is vetoed by the Governor and the veto is  
9 overridden, the date the last house overrides the veto.

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