

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

As Engrossed: H3/12/07 H3/14/07

A Bill

HOUSE BILL 2278

5 By: Representatives Moore, Blount, Cheatham, Dunn, Hall, Maxwell, Rainey, Reep
6 By: Senators J. Jeffress, J. Taylor
7
8

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
13

Subtitle

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

24 SECTION 2. Legislative findings and purpose.

25 The General Assembly finds that:

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

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

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

36 (B) Provide financial incentive for the development of



1 geotourism and geotourism-supporting businesses in the Lower Mississippi
2 River Delta;

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

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

8
9 SECTION 3. Definitions.

10 As used in this act:

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

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

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

25 (A) A geological monument;

26 (B) A lake;

27 (C) A mountain;

28 (D) A park;

29 (E) A river;

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

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

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

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

1 (J) An historic site;

2 (4)(A) "Geotourism-supporting business" means a business
3 necessary to support a geotourism attraction by constructing, expanding or
4 re-modeling a retail facility including without limitation, cultural or
5 educational centers, indoor or outdoor plays or music shows, recreational or
6 entertainment facilities, sporting goods retail and rental establishments,
7 guide services, transient lodging facilities including RV parks, arts and
8 antique shops, campgrounds, bed and breakfasts, and dining establishments.

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

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

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

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

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

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

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23 SECTION 3. Income tax credit for geotourism development.

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

28 (1) In an economically distressed area or a county that borders
29 two (2) counties defined as economically distressed.

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

3 (D) A National Wildlife Refuge.

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

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

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13 SECTION 4. Rules and regulations.

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

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

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

23
24 SECTION 5. Expiration.

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

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

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31 SECTION 6. EMERGENCY CLAUSE. It is found and determined by the General
32 Assembly of the State of Arkansas that the Lower Mississippi River Delta is
33 an area of the state that is rich in culture, diversity, history and natural
34 environmental beauty and yet is economically distressed; that the development
35 of a geotourism industry in the Lower Mississippi River Delta will spur
36 growth and economic opportunity for all Arkansans; and that the economy of

1 the Lower Mississippi River Delta cannot withstand any delay of economic
2 incentive or relief. Therefore, an emergency is declared to exist and this
3 act being necessary for the preservation of the public peace, health, and
4 safety shall become effective on:

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

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

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

11
12 */s/ Moore, et al*
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