

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: H3/29/07*

# A Bill

HOUSE BILL 2488

5 By: Representative Bond  
6  
7

## For An Act To Be Entitled

9 AN ACT TO ESTABLISH HEALTH ENTERPRISE ZONES; AND  
10 FOR OTHER PURPOSES.

### Subtitle

11  
12 AN ACT TO ESTABLISH HEALTH ENTERPRISE  
13 ZONES.  
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15  
16

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
18

19 SECTION 1. Short title.

20 This act shall be known and may be cited as the "Health Enterprise  
21 Zones Act".  
22

23 SECTION 2. Arkansas Code Title 26, Chapter 51, Subchapter 4 is amended  
24 to add an additional section to read as follows:

25 26-51-455. Income tax deduction for qualified receipts - Definitions.

26 (a) A taxpayer who is a primary care provider at a practice that is  
27 located in a health enterprise zone or a qualified practice that is located  
28 within five (5) miles of a health enterprise zone is allowed to deduct from  
29 the taxpayer's gross income in a taxable year an amount equal to that  
30 proportion of the taxpayer's net income deriving from that practice for the  
31 taxable year that the qualified receipts of that practice for the taxable  
32 year bear to the total amount received for services at that practice for the  
33 taxable year.

34 (b) As used in this section:

35 (1) "Health enterprise zone" means an area designated by the  
36 Director of the Division of Health of the Department of Health and Human



1 Services as an area that is underserved by medical primary care and dental  
2 primary care;

3 (2) "Primary care provider" means a physician or an advanced  
4 practice nurse providing medical primary care or a dentist providing dental  
5 primary care, as determined by the Director of the Division of Health of the  
6 Department of Health and Human Services;

7 (3) "Qualified practice" means a practice at which fifty percent  
8 (50%) or more of the total amount received for services at that practice for  
9 the taxable year are qualified receipts and fifty percent (50%) or more of  
10 the patients whose services are compensated by qualified receipts reside in a  
11 health enterprise zone; and

12 (4) "Qualified receipts" means amounts received for services  
13 from the Medicaid program.

14  
15 SECTION 3. Arkansas Code Title 20, Chapter 12, is amended to add an  
16 additional subchapter to read as follows:

17 SUBCHAPTER 7. Health Enterprise Zones

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19 20-12-701. Low-interest loans for medical offices in health enterprise  
20 zones - definitions.

21 (a) In consultation with the Director of the Division of Health of the  
22 Department of Health and Human Services, the Director of the Department of  
23 Economic Development shall establish and administer a program to make low-  
24 interest loans available to primary care providers to:

25 (1) Construct and renovate medical and dental offices or health  
26 clinics located in a health enterprise zone or within five (5) miles of a  
27 health enterprise zone; and

28 (2) Purchase medical equipment for use by primary care providers  
29 at practices located in health enterprise zones or at qualified practices  
30 that are located within five (5) miles of a health enterprise zone.

31 (b) The director of the Department of Economic Development shall adopt  
32 rules, pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et  
33 seq., necessary to effectuate the purposes of this section.

34 (c) As used in this section:

35 (1) "Health enterprise zone" means an area designated by the  
36 Director of the Division of Health of the Department of Health and Human

1 Services as an area that is underserved by medical primary care and dental  
2 primary care;

3 (2) "Primary care provider" means a physician or an advanced  
4 practice nurse providing medical primary care or a dentist providing dental  
5 primary care, as determined by the Director of the Division of Health of the  
6 Department of Health and Human Services;

7 (3) "Qualified practice" means a practice at which fifty percent  
8 (50%) or more of the total amount received for services at that practice for  
9 the taxable year are qualified receipts and fifty percent (50%) or more of  
10 the patients whose services are compensated by qualified receipts reside in a  
11 health enterprise zone; and

12 (4) "Qualified receipts" means amounts received for services  
13 from the Medicaid program.

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15 /s/ Bond  
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