

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 2747

5 By: Representative Harrelson
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7

For An Act To Be Entitled

9 AN ACT TO PROVIDE EXPANDED OPPORTUNITIES FOR
10 DEVELOPMENT OF BIOMASS PRODUCTION IN ARKANSAS; TO
11 PROVIDE AN INCOME TAX CREDIT FOR BIOMASS
12 PRODUCERS; AND FOR OTHER PURPOSES.
13

Subtitle

14 AN ACT TO PROVIDE EXPANDED OPPORTUNITIES
15 FOR DEVELOPMENT OF BIOMASS PRODUCTION IN
16 ARKANSAS AND TO PROVIDE AN INCOME TAX
17 CREDIT FOR BIOMASS PRODUCERS.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code § 26-51-512 is amended to read as follows:
24 26-51-512. ~~Rice straw~~ Biomass tax credit.

25 (a) As used in this section:

26 (1)(A) "Biomass" means any organic material that is available on
27 a renewable or recurring basis.

28 (B) "Biomass" includes without limitation:

29 (i) Animal wastes and other waste materials;

30 (ii) Agricultural crops;

31 (iii) Fats, oils, and greases, including recycled
32 fats, oils, and greases;

33 (iv) Fibers;

34 (v) Plants, including aquatic plants and grasses;

35 (vi) Residues;

36 (vii) Trees grown for energy production; and



(viii) Wood waste and wood residues.

(C) "Biomass" does not include:

(i) Paper that is commonly recycled; or

(ii) Unsegregated solid waste;

~~(1)~~(2) "End user" means:

(A) For rice straw, wheat straw, or corn stalks, a person who purchases and uses rice straw, wheat straw, or corn stalks for processing, manufacturing, generating energy, or producing ethanol; or

(B) For biomass, a person who grows and cuts the biomass;

and

~~(2)~~(3) "Rice straw" means the dry stems of rice left after the seed heads have been removed.

(b)(1)(A) There is allowed a credit against the income tax imposed by the Income Tax Act of 1929, § 26-51-101 et seq., in the amount of ~~fifteen dollars (\$15.00)~~ five dollars (\$5.00) for each ton of rice straw, wheat straw, corn stalks, and any type of biomass over five hundred (500) tons that is purchased by an Arkansas taxpayer who is the end user.

(B) The credit against the income tax under this section for biomass is allowed only to a person who cuts the biomass.

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

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

(c) A taxpayer who claims a credit under this section shall not claim any other state tax credit or deduction for the purchase of rice straw, wheat straw, corn stalks, and any type of biomass.