

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

As Engrossed: H3/17/11

A Bill

HOUSE BILL 2051

5 By: Representative Biviano
6

For An Act To Be Entitled

8 AN ACT TO INCREASE THE EQUITY INVESTMENT FUND TAX
9 CREDIT; AND FOR OTHER PURPOSES.
10

Subtitle

11 TO INCREASE THE EQUITY INVESTMENT FUND
12 TAX CREDIT.
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 *SECTION 1. Arkansas Code § 15-4-3302(c)(1), concerning equity*
20 *investment incentives, is amended to read as follows:*

21 *(c)(1) An equity investment incentive tax credit is created that shall*
22 *be ~~equal to thirty-three and one-third percent (33 1/3%)~~ a percentage, as*
23 *provided in § 15-4-3305(b)(1), of the approved amount invested by an investor*
24 *in an eligible business, as identified in § 15-4-3303(a).*
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26 *SECTION 2. Arkansas Code § 15-4-3305(b)(1), concerning the*
27 *determination of an equity investment incentive tax credit, is amended to*
28 *read as follows:*

29 *(b) The credit against state income tax liability shall be determined*
30 *in the following manner:*

31 *(1)(A) The credit shall ~~not exceed thirty-three and one-third~~*
32 *~~percent (33 1/3%)~~ be a percentage of the actual purchase price paid for the*
33 *equity interest to the business, less any fees or commissions to underwriters*
34 *or sales agents paid by the business~~†.~~*

35 *(B) The percentage in subdivision (b)(1)(A) is determined*
36 *as follows:*



1 (i) Thirty-three and one-third percent (33 1/3%) for
2 an investment in an eligible business that pays wages of at least one hundred
3 fifty percent (150%) but less than two hundred percent (200%) of the lesser
4 of the state average wage or county average wage for the preceding year;

5 (ii) Forty-two percent (42%) for an investment in an
6 eligible business that pays wages at least two hundred percent (200%) but
7 less than two hundred fifty percent (250%) of the lesser of the state average
8 wage or county average wage for the preceding year; or

9 (iii) Fifty percent (50%) for an investment in an
10 eligible business that pays wages of at least two hundred fifty percent
11 (250%) of the lesser of the state average wage or county average wage for the
12 preceding year;

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14 /s/Biviano
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