

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

As Engrossed: H3/26/13

A Bill

HOUSE BILL 1981

5 By: Representative Sabin
6

For An Act To Be Entitled

8 AN ACT TO AMEND AND EXPAND THE ARKANSAS CENTRAL
9 BUSINESS IMPROVEMENT DISTRICT REHABILITATION AND
10 DEVELOPMENT INVESTMENT TAX CREDIT ACT; AND FOR OTHER
11 PURPOSES.
12
13

Subtitle

14 TO AMEND AND EXPAND THE ARKANSAS CENTRAL
15 BUSINESS IMPROVEMENT DISTRICT
16 REHABILITATION AND DEVELOPMENT INVESTMENT
17 TAX CREDIT ACT.
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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 § 26-51-2407 is amended to read as follows:*
24 *26-51-2407. Investment tax credits.*

25 *(a) There is allowed an investment tax credit against the tax imposed*
26 *by the Income Tax Act of 1929, § 26-51-101 et seq., for any taxpayer*
27 *incurring costs and expenses that are qualified rehabilitation or development*
28 *expenditures of eligible central business improvement district property.*

29 *(b) The investment tax credit is equal to twenty-five percent (25%) of*
30 *qualified rehabilitation or development expenditures incurred for a qualified*
31 *project up to the first**

32 ~~*(1) Five hundred thousand dollars (\$500,000) two million dollars*~~
33 ~~*(\$2,000,000) on income-producing property or nonincome-producing property; or*~~
34 ~~*(2) Two hundred thousand dollars (\$200,000) on nonincome-*~~
35 ~~*producing property.*~~

36 *(c)(1) The investment tax credit for a qualified project covering*



1 *income-producing eligible central business improvement district property*
2 *shall be taken in the tax year in which the eligible central business*
3 *improvement district property is placed in service.*

4 *(2) The investment tax credit for a qualified project covering*
5 *residential eligible central business improvement district property or other*
6 *nonincome-producing eligible central business improvement district property*
7 *shall be taken in the tax year the qualified project is completed.*

8 ~~*(d) A taxpayer who receives an investment tax credit under this*~~
9 ~~*section shall not claim any other state or local tax credit or deduction*~~
10 ~~*based on the qualified rehabilitation or development expenditures except for*~~
11 ~~*the deduction for normal depreciation of the eligible central business*~~
12 ~~*improvement district property.*~~

13 ~~*(e)(1) (d)(1) The Department of Finance and Administration shall*~~
14 ~~*maintain an ongoing record of the eligibility certificates awarded each*~~
15 ~~*fiscal year.*~~

16 *(2) The department shall only issue investment tax credits up to*
17 ~~*one million dollars (\$1,000,000)*~~ *ten million dollars (\$10,000,000)* *in any one*
18 *(1) fiscal year on a first-come, first-served basis.*

19
20 *SECTION 2. Arkansas Code § 26-51-2412(a), concerning the effective*
21 *date of the Arkansas Central Business Improvement District Rehabilitation and*
22 *Development Investment Tax Credit Act, is amended to read as follows:*

23 ~~*(a)(1) This subchapter takes effect only if the Chief Fiscal Officer*~~
24 ~~*of the State certifies that sufficient funding for this subchapter is*~~
25 ~~*available in the General Improvement Fund is effective July 31, 2013.*~~

26 ~~*(2) If the Chief Fiscal Officer of the State certifies that*~~
27 ~~*sufficient funding for this subchapter is available in the fund, this*~~
28 ~~*subchapter is effective for tax years beginning on and after January 1 of the*~~
29 ~~*year following the certification and continues for a period of two (2) years.*~~

30 ~~*(3) If the Chief Fiscal Officer of the State certifies that*~~
31 ~~*sufficient funding for this subchapter is available in the fund, he or she*~~
32 ~~*shall notify the Arkansas Code Revision Commission of the effective date of*~~
33 ~~*this subchapter.*~~

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35 /s/Sabin
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