

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015

A Bill

SENATE BILL 924

4
5 By: Senator Files

For An Act To Be Entitled

8 AN ACT TO CREATE AN INVESTMENT TAX CREDIT FOR CAPITAL
9 IMPROVEMENTS RELATING TO WATER TRANSPORTATION IN THE
10 STATE; AND FOR OTHER PURPOSES.

Subtitle

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14 TO CREATE AN INVESTMENT TAX CREDIT FOR
15 CAPITAL IMPROVEMENTS RELATING TO WATER
16 TRANSPORTATION IN THE STATE.

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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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21 SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 5, is
22 amended to add an additional section to read as follows:

23 26-51-515. Waterways investment tax credit.

24 (a) There is allowed an income tax credit against the income tax
25 imposed by this chapter in the amount stated in subsection (b) of this
26 section for the cost of making capital improvements to a facility or property
27 related to using water transportation in the state, including without
28 limitation the construction, improvement, capital facility rehabilitation,
29 and expansion of a waterway facility and the construction or improvement of
30 rail or road access to a waterway facility, on or after January 1, 2015, and
31 on or before December 31, 2016.

32 (b)(1) The tax credit allowed under subsection (a) of this section
33 shall not exceed three million dollars (\$3,000,000) for a taxpayer that makes
34 the capital improvements to a facility or property related to using water
35 transportation in the state.

36 (2) However, the amount of the tax credit that a taxpayer may



1 claim each year is limited to a maximum of ten percent (10%) of the total tax
2 credit for which the taxpayer is eligible.

3 (3) The total cumulative amount of tax credits for all taxpayers
4 under this section in a tax year shall:

5 (A) Not exceed two million five hundred thousand dollars
6 (\$2,500,000); and

7 (B) Be issued on a first-come, first served basis.

8 (c) Any unused income tax credit that cannot be claimed in a tax year
9 because of the limit stated in subdivision (b)(2) of this section may be
10 carried forward for nine (9) consecutive tax years following the tax year in
11 which the income tax credit was earned.

12 (d) A taxpayer is not eligible for the credit allowed under this
13 section if the taxpayer has received funds under the Arkansas Port,
14 Intermodal, and Waterway Development Grant Program.

15 (e) The Director of the Department of Finance and Administration
16 shall:

17 (1) Promulgate rules to implement this section;

18 (2) Review the overall economic impact of this section on or
19 before December 31, 2021, and again on or before December 31, 2026; and

20 (3) Report his or her findings under subdivision (e)(2) of this
21 section to the Legislative Council or, if the General Assembly is in session,
22 to the Joint Budget Committee within thirty (30) days of completing the
23 required review.

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25 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax
26 years beginning on or after January 1, 2015.