

State of Arkansas  
90th General Assembly  
Regular Session, 2015

# A Bill

HOUSE BILL 1410

By: Representative Sabin

## For An Act To Be Entitled

AN ACT TO AMEND AND EXPAND THE ARKANSAS CENTRAL  
BUSINESS IMPROVEMENT DISTRICT REHABILITATION AND  
DEVELOPMENT INVESTMENT TAX CREDIT ACT; AND FOR OTHER  
PURPOSES.

### Subtitle

TO AMEND AND EXPAND THE ARKANSAS CENTRAL  
BUSINESS IMPROVEMENT DISTRICT  
REHABILITATION AND DEVELOPMENT INVESTMENT  
TAX CREDIT ACT.

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

SECTION 1. Arkansas Code § 26-51-2407 is amended to read as follows:  
26-51-2407. Investment tax credits.

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

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

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

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



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

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

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

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

(2)(A) The department shall only issue investment tax credits up to ~~one million dollars (\$1,000,000)~~ five million dollars (\$5,000,000) in any one (1) fiscal year on a first-come, first-served basis.

(B) Beginning July 1, 2017, the department shall only issue investment tax credits up to ten million dollars (\$10,000,000) in any one (1) fiscal year on a first-come, first-served basis.

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

~~(a)(1) This subchapter takes effect only if the Chief Fiscal Officer of the State certifies that sufficient funding for this subchapter is available in the General Improvement Fund~~ is effective July 31, 2015.

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

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