

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
90th General Assembly
Regular Session, 2015

As Engrossed: H3/17/15

A Bill

HOUSE BILL 1802

By: Representative Jett

For An Act To Be Entitled

AN ACT CONCERNING INCENTIVES FOR WATER RESOURCE
CONSERVATION AND DEVELOPMENT *PROJECTS; TO AMEND THE
WATER RESOURCE CONSERVATION AND DEVELOPMENT
INCENTIVES ACT; AND FOR OTHER PURPOSES.*

Subtitle

*TO AMEND THE WATER RESOURCE CONSERVATION
AND DEVELOPMENT INCENTIVES ACT.*

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

SECTION 1. Arkansas Code § 26-51-1003(8), concerning the definition of "project" used under the Water Resource Conservation and Development Incentives Act, is amended to add an additional subdivision to read as follows:

(E)(i) The purchase and installation of equipment, devices, hardware, software, data, systems, or services used for the more efficient use of irrigation water.

(ii) Installation of equipment, devices, hardware, software, data systems, or services used for the more efficient use of irrigation water is considered a conversion from groundwater to surface water for tax credit purposes; and

SECTION 2. Arkansas Code § 26-51-1007(b)(1), concerning the income credit granted for surface water conversion outside critical areas, is amended to read as follows:

(b)(1) The tax credit allowed to each approved applicant shall not



exceed the lesser of ~~ten percent (10%)~~ twenty-five percent (25%) of the project cost incurred or twenty seven thousand dollars (\$27,000).

SECTION 3. Arkansas Code § 26-51-1009(b)(1), concerning the income tax credit for land leveling for water conservation, is amended to read as follows:

(b)(1) The tax credit allowed to each approved applicant shall not exceed the lesser of ~~ten percent (10%)~~ twenty-five percent (25%) of the project cost incurred or twenty seven thousand dollars (\$27,000).

SECTION 4. Arkansas Code § 26-51-1013(b)(1), concerning the annual compilation of income tax credits under the Water Resource Conservation and Development Incentives Act, is amended to read as follows:

(b)(1) When the total amount of tax credits used ~~pursuant to the provisions of~~ under this subchapter exceeds ten million dollars (\$10,000,000) in any calendar year for that calendar year, the tax credits established by this subchapter shall ~~expire~~ not be available for new projects for a period of one (1) calendar year, beginning on December 31 of the calendar year following the calendar year in which the tax credits used ~~pursuant to the provisions of~~ under this subchapter exceeded ten million dollars (\$10,000,000).

SECTION 5. EFFECTIVE DATE. Sections 1 through 4 of this act are effective for tax years beginning on or after January 1, 2015.

/s/Jett