

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

State of Arkansas
91st General Assembly
Regular Session, 2017

A Bill

SENATE BILL 161

By: Senator D. Wallace

For An Act To Be Entitled

AN ACT CONCERNING PUBLIC ROADS IMPROVEMENTS
INCENTIVES; TO REPEAL THE ARKANSAS PUBLIC ROADS
IMPROVEMENTS CREDIT ACT; TO REPEAL THE PUBLIC ROADS
INCENTIVE FUND; AND FOR OTHER PURPOSES.

Subtitle

TO REPEAL THE ARKANSAS PUBLIC ROADS
IMPROVEMENTS CREDIT ACT; AND TO REPEAL
THE PUBLIC ROADS INCENTIVE FUND.

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

SECTION 1. Arkansas Code Title 15, Chapter 4, Subchapter, 23 is repealed.

~~Subchapter 23 — Arkansas Public Roads Improvements Credit Act~~

~~15-4-2301. — Title.~~

~~This subchapter may be referred to and cited as the “Arkansas Public Roads Improvements Credit Act”.~~

~~15-4-2302. — Legislative intent.~~

~~The General Assembly finds and declares that:~~

~~(1) The state’s program for capital improvements for public roads projects and the financing of those projects is inadequate;~~

~~(2) The economic and other benefits to the state and its people resulting from capital improvements for public roads projects are essential to the public health, safety, and welfare of the people of Arkansas; and~~



~~(3) Providing tax credits to taxpayers for contributions in aid of construction of capital improvements for public roads projects will encourage public and private participation in these capital improvement projects, will promote the economic welfare of this state and its people, and is in the public interest.~~

~~15-4-2303. Definitions.~~

~~As used in this subchapter:~~

~~(1) "Capital improvements" means capital improvements for public roads;~~

~~(2) "Commission" means the Arkansas Economic Development Commission;~~

~~(3) "Contribution" means a contribution in aid of construction of a public roads project made by a taxpayer to the Public Roads Incentive Fund;~~

~~(4) "Council" means the Arkansas Economic Development Council;~~

~~(5) "County" means any county in the State of Arkansas;~~

~~(6) "Executive director" means the Executive Director of the Arkansas Economic Development Commission;~~

~~(7) "Fund" means the Public Roads Incentive Fund;~~

~~(8) "Governing authority" means the quorum court of a county, the governing body of a municipality, and the State Highway Commission;~~

~~(9) "Municipality" means any city or incorporated town in the State of Arkansas;~~

~~(10) "Project" means all, any combination, or any part of the capital improvements for public roads which are authorized by a governing authority and approved by the executive director;~~

~~(11) "Public roads" means roads maintained by a governing authority; and~~

~~(12) "Taxpayer" includes any individual, fiduciary, or corporation subject to Arkansas state income tax.~~

~~15-4-2304. Approval of projects.~~

~~Governing authorities may apply to the Executive Director of the Arkansas Economic Development Commission for funding assistance for capital improvement projects for public roads as provided by this subchapter. The~~

~~executive director is authorized to approve capital improvements for funding assistance upon a finding that a project is in the public interest.~~

~~15-4-2305.—Public Roads Incentive Fund.~~

~~(a)—There is established on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State a fund to be known as the “Public Roads Incentive Fund” of the Arkansas Economic Development Council.~~

~~(b)—The fund shall consist of contributions made by taxpayers for public roads projects approved by the Executive Director of the Arkansas Economic Development Commission and any other funds as are designated or deposited to the fund by law.~~

~~(c)(1)—A separate account shall be established for each project, and contributions for a project shall be applied to provide funding assistance for such a project.~~

~~(2)—Any contributions which remain in the fund when a project is completed or terminated shall be held and applied to other public roads projects in such manner as the executive director shall direct.~~

~~15-4-2306.—Tax credit.~~

~~(a)—A taxpayer shall be entitled to a credit against any Arkansas income tax liability which may be imposed on the taxpayer for any tax year commencing on or after January 1, 1999, for contributions transmitted to the Treasurer of State pursuant to this subchapter.~~

~~(b)—The credit shall be determined in the following manner:~~

~~(1)—The credit is limited to an amount not to exceed thirty-three percent (33%) of the taxpayer’s contribution;~~

~~(2)—In any one (1) tax year, the credit allowed by this section shall not exceed fifty percent (50%) of the net Arkansas state income tax liability of the taxpayer after all other credits and reductions in tax have been calculated; and~~

~~(3)—Any credit in excess of the amount allowed by subdivision (b)(2) of this section for any one (1) tax year may be carried forward and applied against any Arkansas state income tax liability for the next-succeeding tax year and annually thereafter for a total period of three (3) years next succeeding the year in which the credit arose, subject to the~~

~~provisions of subdivision (b)(2) of this section or until the credit is exhausted, whichever occurs first.~~

~~15-4-2307. Powers and duties of the Arkansas Economic Development Commission.~~

~~The Arkansas Economic Development Commission shall administer the provisions of this subchapter and shall have the following powers and duties, in addition to those mentioned in this subchapter and in other laws of this state:~~

- ~~(1) To monitor the implementation and operation of this subchapter and to conduct a continuing evaluation of the progress made;~~
- ~~(2) To assist the governing authority in obtaining assistance from any other department of state government;~~
- ~~(3) To submit an annual written report evaluating the effectiveness of the program and presenting any suggestions for improving the program, to be submitted to the Governor no later than March 1 of each year; and~~
- ~~(4) To promulgate rules and regulations in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., necessary to carry out the provisions of this subchapter.~~

SECTION 2. Arkansas Code § 19-5-1097 is repealed.

~~19-5-1097. Public Roads Incentive Fund.~~

~~(a) There is established on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State a fund to be known as the "Public Roads Incentive Fund" of the Arkansas Economic Development Council.~~

~~(b) The fund shall consist of contributions made by taxpayers for public roads projects approved by the Executive Director of the Arkansas Economic Development Commission and any other funds as are designated or deposited into the fund by law.~~

~~(c)(1) A separate account shall be established for each project, and contributions for a project shall be applied to provide funding assistance for that project.~~

~~(2) Any contributions which remain in the fund when a project is completed or terminated shall be held and applied to other public roads~~

~~projects in such manner as the executive director shall direct.~~