

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4
5 By: Senator D. Wallace

A Bill

SENATE BILL 161

For An Act To Be Entitled

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

Subtitle

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

18
19
20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

21
22 SECTION 1. Arkansas Code Title 15, Chapter 4, Subchapter, 23 is
23 repealed.

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

25
26 ~~15-4-2301. Title.~~

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

29
30 ~~15-4-2302. Legislative intent.~~

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

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

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



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

6
7 ~~15-4-2303. Definitions.~~

8 ~~As used in this subchapter:~~

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

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

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

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

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

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

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

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

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

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

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

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

32
33 ~~15-4-2304. Approval of projects.~~

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

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

3
4 ~~15-4-2305. Public Roads Incentive Fund.~~

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

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

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

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

19
20 ~~15-4-2306. Tax credit.~~

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

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

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

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

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

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

3
 4 ~~15-4-2307. Powers and duties of the Arkansas Economic Development~~
 5 ~~Commission.~~

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

10 ~~(1) To monitor the implementation and operation of this~~
 11 ~~subchapter and to conduct a continuing evaluation of the progress made;~~

12 ~~(2) To assist the governing authority in obtaining assistance~~
 13 ~~from any other department of state government;~~

14 ~~(3) To submit an annual written report evaluating the~~
 15 ~~effectiveness of the program and presenting any suggestions for improving the~~
 16 ~~program, to be submitted to the Governor no later than March 1 of each year;~~
 17 ~~and~~

18 ~~(4) To promulgate rules and regulations in accordance with the~~
 19 ~~Arkansas Administrative Procedure Act, § 25-15-201 et seq., necessary to~~
 20 ~~carry out the provisions of this subchapter.~~

21
 22 SECTION 2. Arkansas Code § 19-5-1097 is repealed.

23 ~~19-5-1097. Public Roads Incentive Fund.~~

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

28 ~~(b) The fund shall consist of contributions made by taxpayers for~~
 29 ~~public roads projects approved by the Executive Director of the Arkansas~~
 30 ~~Economic Development Commission and any other funds as are designated or~~
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32 ~~(c)(1) A separate account shall be established for each project, and~~
 33 ~~contributions for a project shall be applied to provide funding assistance~~
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35 ~~(2) Any contributions which remain in the fund when a project is~~
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1 ~~projects in such manner as the executive director shall direct.~~

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