

Notice of Public Hearing and Rule Making

The Arkansas Department of Economic Development is in the process of promulgating rules to govern two incentive programs administered by the agency: 1) the Consolidated Incentive Act; and 2) the Non-Profit Incentive Act. The department proposes that the rules governing the Consolidated Incentive Act become effective on July 1, 2005, the effective date of changes to this incentive program adopted in the 2005 Regular Session of the Arkansas General Assembly. The rules governing the Non-Profit Incentive Act are proposed to become effective on August 22, 2005. The Non-Profit Incentive Act will become effective 90 days after the adjournment of the Arkansas General Assembly.

Changes made to the Consolidated Incentive Act focus on making the benefits of the incentives available to smaller businesses, adding a new category of eligible businesses, requiring local governments to participate in the sales tax refund program if a refund of state sales tax is to be made, reducing thresholds for targeted businesses and allowing the Director some discretion on offering a payroll rebate in highly competitive situations.

The Non-Profit Incentive Act is a new incentive and rules to govern this new program are being proposed for the first time. Proposed rules focus on identifying the qualifications for participation in the program and the adherence to program guidelines to receive the benefits (payroll rebate and sales tax refund) associated with this incentive.

The Arkansas Department of Economic Development is soliciting comments on the proposed regulations filed with the Secretary of State on May 2, 2005. A public hearing will be held at 10:00 a.m. on Wednesday, June 1, 2005 in the Big Mac Conference Room (4A.400), One State Capitol Mall, Little Rock, Arkansas. Copies of the proposed regulations may be found on the department's website www.1800Arkansas.com or may be obtained by calling (501) 682-7317. Written comments may be submitted through June 1, 2005 by mailing them to the Arkansas Department of Economic Development, Planning and Regulation Unit, One State Capitol Mall, Little Rock, Arkansas 72201 or by faxing them to (501) 682-2703. Comments will also be accepted via email at mjenkins@1800Arkansas.com.