

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

A Bill

SENATE BILL 465

5 By: Senator B. Davis
6 By: Representative Dalby
7

For An Act To Be Entitled

8
9 AN ACT TO AMEND THE CONSOLIDATED INCENTIVE ACT OF
10 2003; TO PROVIDE FOR A SALES AND USE TAX REFUND FOR A
11 SPECULATIVE DEVELOPMENT PROJECT; TO REQUIRE
12 CONCURRENT FINANCIAL INCENTIVE AGREEMENTS UNDER THE
13 CONSOLIDATED INCENTIVE ACT OF 2003 IN CERTAIN
14 CIRCUMSTANCES; AND FOR OTHER PURPOSES.
15
16

Subtitle

17
18 TO PROVIDE FOR A SALES AND USE TAX
19 REFUND FOR A SPECULATIVE DEVELOPMENT
20 PROJECT; AND TO REQUIRE CONCURRENT
21 FINANCIAL INCENTIVE AGREEMENTS UNDER THE
22 CONSOLIDATED INCENTIVE ACT OF 2003.
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
25

26 SECTION 1. Arkansas Code § 15-4-2705, concerning the job-creation tax
27 credit under the Consolidated Incentive Act of 2003, is amended to add an
28 additional subsection to read as follows:

29 (i) If a qualified business executes a financial incentive agreement
30 under this section and under § 15-4-2706 that concern the same project, the
31 financial incentive agreement executed under this section shall be executed
32 within twenty-four (24) months of the execution of the financial incentive
33 agreement under § 15-4-2706.
34

35 SECTION 2. Arkansas Code § 15-4-2706(d), concerning state and local
36 sales and use tax refunds under the Consolidated Incentive Act of 2003, is



1 amended to add an additional subdivision to read as follows:

2 (6)(A) For purposes of this subsection, a developer of a
 3 speculative development project is a qualified business if the developer:

4 (i) Invests at least twenty-five million dollars
 5 (\$25,000,000) in the speculative development project, including without
 6 limitation the land, buildings, and equipment used in the speculative
 7 development project; and

8 (ii) Meets the requirements stated for a qualified
 9 business under subdivisions (d)(1)-(5) of this section.

10 (B) As used in this subdivision (d)(6), "speculative
 11 development project" means the construction, development, or modernization of
 12 a basic structure of flexible design that:

13 (i) Is erected for the eventual sale or lease to a
 14 purchaser or tenant requiring appropriate facilities; and

15 (ii) Has at least one hundred thousand (100,000)
 16 square feet of usable space.

17
 18 SECTION 3. Arkansas Code § 15-4-2706, concerning investment tax
 19 credits under the Consolidated Incentive Act of 2003, is amended to add an
 20 additional subsection to read as follows:

21 (f) If a qualified business executes a financial incentive agreement
 22 under this section and under § 15-4-2705 or § 15-4-2707 that concern the same
 23 project, the financial incentive agreement executed under this section shall
 24 be executed within twenty-four (24) months of the execution of the financial
 25 incentive agreement under § 15-4-2705 or § 15-4-2707.

26
 27 SECTION 4. Arkansas Code § 15-4-2707, concerning the Economic
 28 Development Incentive Fund, is amended to add an additional subsection to
 29 read as follows:

30 (f) If a qualified business executes a financial incentive agreement
 31 under this section and under § 15-4-2706 that concern the same project, the
 32 financial incentive agreement executed under this section shall be executed
 33 within twenty-four (24) months of the execution of the financial incentive
 34 agreement under § 15-4-2706.

35
 36 SECTION 5. EFFECTIVE DATE. Sections 1-4 of this act are effective on

1 and after October 1, 2025.

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36