

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**
4 **By: Representative M. Wilson**

A Bill

ACT 586 OF 1995
HOUSE BILL 1464

For An Act To Be Entitled

8 "AN ACT TO PROVIDE FOR SCIENTIFIC, MEDICAL AND
9 TECHNOLOGICAL JOBS AND INFRASTRUCTURE ENHANCEMENTS; AND
10 FOR OTHER PURPOSES."

Subtitle

13 "TO PROVIDE FOR SCIENTIFIC, MEDICAL AND
14 TECHNOLOGICAL JOBS AND INFRASTRUCTURE
15 ENHANCEMENTS."

16
17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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19 SECTION 1. As used in this Act, the term "qualified medical company"
20 means a corporation engaged in:

- 21 (A) Research and development in the medical field; and
22 (B) Manufacture and distribution of medical products including
23 therapeutic and diagnostic products.

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25 SECTION 2. All agencies, departments, boards, commissions and other
26 instrumentalities of this State and all political subdivisions of this State
27 and all agencies, departments, boards, commissions and other instrumentalities
28 thereof, shall to the greatest extent possible expedite the processing of all
29 lawful applications and requests required or permitted by law which are
30 submitted or made by qualified medical companies and in considering all such
31 applications and requests give due consideration to the purposes of this Act.

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33 SECTION 3. To the extent available time, personnel and other resources
34 permit, all state funded colleges and universities shall provide research
35 assistance to the Arkansas Science and Technology Authority to assist with
36 planning to develop scientific, medical and technological commercial

1 infrastructure enhancements to encourage qualified medical companies to locate
2 in this State.

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4 SECTION 4. Arkansas Code § 26-51-427(1) is amended by adding a new
5 subsection (E) to read as follows:

6 "(E) (i) As used in this section, the term qualified medical company
7 means a corporation engaged in:

8 (A) Research and development in the medical field; and

9 (B) Manufacture and distribution of medical products

10 including therapeutic and diagnostic products.

11 (ii) In the case of qualified medical companies, as defined
12 herein, a net operating loss for any taxable year shall be a net operating
13 loss carryover to each of the 15 taxable years following the taxable year of
14 the loss.

15 (iii) If the qualified medical company is an S corporation, the
16 pass-through provisions of Ark. Code Ann. § 26-51-409, as in effect for the
17 taxable year of the loss, shall be applicable.

18 (iv) The net operating loss provisions set forth above, which
19 resulted from the operation of a qualified medical company, shall be effective
20 for taxable years beginning on and after January 1, 1987."

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22 SECTION 5. All provisions of this act of a general and permanent nature
23 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
24 Revision Commission shall incorporate the same in the Code.

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26 SECTION 6. If any provision of this act or the application thereof to
27 any person or circumstance is held invalid, such invalidity shall not affect
28 other provisions or applications of the act which can be given effect without
29 the invalid provision or application, and to this end the provisions of this
30 act are declared to be severable.

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32 SECTION 7. All laws and parts of laws in conflict with this act are
33 hereby repealed.

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35 SECTION 8. EMERGENCY. It is hereby found and determined by the General

1 Assembly that establishment of qualified medical companies in this State will
2 result in numerous benefits including industrial diversification, broadening
3 of the economic base, the creation of jobs and benefits to the residents of
4 this State through new products and processes; that this Act would provide
5 assistance to qualified medical companies and at the same time create benefits
6 to the State and its residents; that this Act would make state law concerning
7 qualified medical companies_ net operating loss carry forward provisions
8 compatible with the Internal Revenue Code of the United States; and that the
9 need for the assistance set forth in this Act is necessary in order to provide
10 for assistance to qualified medical companies. Therefore, an emergency is
11 hereby declared to exist and this act being necessary for the immediate
12 preservation of the public peace, health and safety shall be in full force and
13 effect from and after its passage and approval.

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APPROVED: 3-13-95

