

Arkansas Appendix

Key Subsidy Programs

Program	Annual Cost	Monitoring, Enforcement & Penalty Score*
Arkansas Advantage Income Tax Credit – corporate income tax credit for job creation	\$1,786,161 (2010)	57/100
Business and Industry Training Program – workforce training grants for recruitment and pre-employment training	not available	5/100
InvestArk Sales and Use Tax Credits – credits relating to purchase of property and equipment by existing firms	\$21,631,239 (2010)	59/100
Targeted Business Incentives – sales and use tax exemptions, income tax credits and tax credits derived from worker personal income tax withholding for firms in targeted industries which have been in the state for less than five years	not available	61/100
TaxBack Sales and Use Tax Refund – sales and use tax refund on building materials and machinery for Arkansas Advantage participants	\$5,781,280 (2010)	59/100
Average Monitoring, Enforcement & Penalty Score for All Programs*		48/100

*Adjusted to reflect the program's performance standards score in *Money for Something*. See next page for unweighted scoring details.

Money-Back Guarantees for Taxpayers Scoring Details for Arkansas Programs		<i>Maximum possible score for category</i>	<i>Arkansas Advantage Income Tax Credit</i>	<i>Business and Industry Training Program</i>	<i>InvestArk Sales and Use Tax Credits</i>	<i>Targeted Business Incentives</i>	<i>TaxBack Sales and Use Tax Refund</i>
Reporting	Has a requirement that recipients report to agency on performance outcomes (20 pts)	20	20	0	20	20	20
Verification	Agency awarding subsidy verifies performance outcomes reported by recipient (20 pts)	20	20	0	20	20	20
Type of Penalties	Penalty takes the form of recapture (10 pts)	10	10	0	10	10	10
	Penalty takes the form of rescission or program is performance based (5 pts)	5	0	0	0	0	0
	Penalty takes the form of recalibration (5 pts)	5	0	0	0	0	0
Scope of Penalties	Mandatory penalties for failure to meet performance requirements with no exceptions* (20 pts) Mandatory penalties for failure to meet performance requirements with some exceptions (15 pts) Discretionary penalties for failure to meet performance requirements (10 pts)	20	15	0	20	20	20
Online Disclosure of Enforcement Practices	Online publication of statistics on use of penalties (10 pts)	10	0	0	0	0	0
	Online publication of names of companies found to be non-compliant (5 pts)	5	0	0	0	0	0
	Online publication of names of companies penalized and dollar amounts (5 pts)	5	0	0	0	0	0
Total unweighted score		100	65	0	70	70	70
TOTAL SCORE adjusted to reflect the program's performance standards score in <i>Money for Something</i>		100	57	5	59	61	59

*Programs deemed performance based automatically receive points in this category.
For details on the programs see Appendix 4 in www.goodjobsfirst.org/moneyback.