



PRIVATE WETLAND AND RIPARIAN ZONES CREATION AND RESTORATION TAX CREDIT PROGRAM

NOTE: Application must be approved prior to beginning any work on the project.

APPLICATION PROCEDURES AND GUIDANCE

1. APPLICANT INFORMATION

Provide applicant's name, address, Federal Employee Identification Number and/or Social Security Number (Fed EI No. and/or S.S. No.), telephone, and fax numbers.

2. OWNERSHIP INFORMATION

- 2a. Enter the type of ownership (e.g., individual, corporation, partnership, S corporation, etc.).
- 2b. List officers, S corporation shareholders with percentage of ownership, partners with percentage of ownership, etc.
- 2c. Provide the address, telephone, and fax numbers of all participating taxpayers.
- 2d. Provide the contact person's name, address, telephone, and fax numbers if different from the applicant.
- 2e. Provide current and historical ownership information, including whether adjacent land is owned by taxpayer.
- 2f. Provide the address of the property.

3. SITE INFORMATION

- 3a. Provide the location of the project and include maps and a description of site location (e.g., county, section, township, range, latitude, longitude, watershed, etc.).
- 3b. Provide the size of the project area.
- 3c. Provide the name of water body(ies) affected by the proposed restoration project, if applicable.
- 3d. Provide a description of current and historical land use of project site and adjacent properties.
- 3e. Provide site characterization information in sufficient detail necessary to describe the proposed project. Include the following if applicable to the project:
 - Soil type
 - Existing vegetation
 - Information describing the condition of site (e.g., site highly eroded or scoured, bankssloughing, heavily grazed or trampled vegetation, compacted soils, ripped banks, etc.)
 - Topography
 - Flood plain boundaries (if available)
 - Pictures of the site (including aerial photographs if available)

4. DESCRIPTION OF PROPOSED PROJECT

- 4a. Was any portion of the proposed project a mitigation activity required under state or federal law? (Note: Tax credits are not allowed for wetland restoration conducted as a requirement for mitigation on a Section 404 permit.)
- 4b. Has a Section 404 permit been obtained from the Corps of Engineers? If yes, give permit number.
- 4c. Has an Arkansas Department of Energy and Environment Permit been obtained? If yes, give permit number.
- 4d. Provide a project description in sufficient detail. Include the following if applicable to the project:
- Goals and objectives for restoration project, problems being addressed, and solutions to be implemented
 - Success criteria (i.e., measures of success)
 - Target vegetative community to be established
 - Target site hydrology to be established (if applicable)
 - Planting plan showing location, spacing, and planting arrangements of plant species
 - Proposed construction activities
 - Construction drawings
 - Proposed post-construction activities
 - Proposed project construction schedule
 - Proposed monitoring plan
 - Name, address, telephone, and fax numbers, and qualifications of individuals or companies providing professional services or assistance in the development of the plan on company letterhead
- 4e. Additional relevant information may be requested by the Arkansas Department of Agriculture and/or the Director as deemed necessary for a complete review of the proposed project.

5. FINANCIAL INFORMATION

- 5a. Provide the estimated project cost including a breakdown of costs by activity.
- 5b. List all funding sources including those applied for even if approval is still pending and amount of contribution anticipated from each.
- 5c. Provide the total tax credit applied for.
- 5d. Provide the estimated application fee (three percent [3%] of total approved tax; minimum \$100.00).

NOTE: Application fee must be included with application.

DEFINITIONS

As used herein, unless the context otherwise requires:

- Act - Arkansas Private Wetland and Riparian Zone Creation and Restoration Incentives Act of 1995 (A.C.A. §26-51-1501 et seq.)
- Application - Written plan for development and operation of the project, including all requirements and adopted by rule made using the form provided by the Department
- Department - Arkansas Department of Agriculture
- Developing wetlands - To establish a wetland or other aquatic resource
- Enhancing wetlands - Any activity that improves wetlands
- Director - Director of the Arkansas Department of Agriculture's Natural Resources Division
- Project - Wetlands or riparian zones created or restored by activities for which tax credits are claimed
- Project cost - Actual expenditure for a project less any reimbursement received by the taxpayer from cost-share programs or any other funding
- Restoring wetlands - To return wetland values and functions to a former wetland or degraded wetland where human or natural activities have diminished or destroyed such values and functions thereby returning the land to wetland status
- Riparian zone - An area of land along the bank of a natural water course or contiguous to a body of water that is set aside to reduce impacts of adjoining land use on the stream or waterbody or any other definition promulgated by the Department
- Tax credits - Authorized amount that may be applied against Arkansas corporate income tax or Arkansas individual income tax, whether earned by an individual, partnership, limited liability company, S corporation, or corporation; the amount of credit is equal to qualified project cost for the development or restoration of wetlands and riparian zones
- Taxpayer - Entity that is certified to earn tax credits for an approved project, whether an individual, partnership, limited liability company, S corporation, or corporation
- Wetland - An area that has water at or near the surface of the ground at some time during the growing season (wetland hydrology); contains plants that are adapted to wet habitats (hydrophytic vegetation) and made up of soil that has developed under wet conditions (hydric soils) or any other definition promulgated by the Department

NOTE: A three percent (3%) application fee (minimum \$100.00) shall be paid to the Arkansas Department of Agriculture when an application for tax credit is filed. If the payment is based on an estimate of cost which is less than actual final total cost of the project, the balance will be due and payable when a request for a Certificate of Completion for Tax Credit is filed. If the applicant's estimate exceeded the actual cost of the project, the Department will refund the fee overcharge when the completion certificate is issued. The full application fee will be refunded if the project is rejected. In the case of a project involving multiple landowners, the fee shall be paid according to the percentage of tax credit each participating party receives.