

***PRIVATE WETLAND AND RIPARIAN ZONES CREATION AND
RESTORATION TAX CREDIT PROGRAM
Application Guidance***

APPLICATION PROCEDURES

Extra sheets may be used for information that will not fit on the application form.

1. APPLICANT INFORMATION

Applicant's name, address, Federal Employee Identification Number and/or Social Security Numbers (Fed EI No. and/or S.S. No.), telephone and facsimile numbers

2. OWNERSHIP INFORMATION

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

3. SITE INFORMATION

- 3a. Location of project - include maps and description of site location (e.g., county, section, township, range, latitude, longitude, watershed, etc.).
- 3c. Name of water body(ies) affected by the proposed restoration project, if applicable.
- 3d. Description of current and historical land use of project site and of adjacent properties.
- 3e. 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, banks sloughing, heavily grazed or trampled vegetation, compacted soils, riprapped banks, etc.),
 - Topography,
 - Flood plain boundaries if available, and
 - 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. What District? If yes, describe what portion
- 4c. Has a floodplain permit been obtained? If yes, give permit number.
- 4d. Project Description - Detailed description of project in sufficient detail as necessary. Include the following if applicable to the project:
- Project goals and objectives for restoration project, identify the problems being addressed and the 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, and
 - Name, address, telephone and facsimile 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 Committee and/or the Executive Director as deemed necessary for a complete review of the proposed project.

5 FINANCIAL INFORMATION

- 5a. Estimated Project Cost including a breakdown of costs by activity.
- 5b. List all funding sources include all those applied for even if approval is still pending; amount of contribution anticipated from each.

DEFINITIONS

As used herein, unless the context otherwise requires:

- **Act** - the Arkansas Private Wetland and Riparian Zone Creation and Restoration Incentives Act of 1995 (A.C.A. §26-51-1501 *et seq.*).
- **Application** - a written plan for development and operation of the Project, including all requirements as the Commission may adopt by rule made using the form provided by the Commission.
- **Commission** - the Arkansas Soil and Water Conservation Commission.
- **Committee** - the Private Lands Restoration Committee.
- **Department** - the Revenue Division of the Arkansas Department of Finance and Administration ("DF&A").
- **Developing wetlands** - to establish a wetland or other aquatic resource.

- **Enhancing wetlands** any activity that improves wetlands.
- **Executive Director** - the Executive Director of the Arkansas Soil and Water Conservation Commission.
- **Project** - wetlands or riparian zones created or restored by activities for which tax credits are claimed.
- **Project cost** - the 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 water body or any other definition promulgated by the Commission.
- **Tax credits** - the 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** - the 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). It contains plants that are adapted to wet habitats (hydrophytic vegetation) and is made up of soil that has developed under wet conditions (hydric soils) or any other definition promulgated by the Commission.

NOTE: A three percent (3%) application fee (minimum \$100.00) shall be paid to the Arkansas Soil and Water Conservation Commission 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 Commission 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.