

# **INCOME TAX CREDIT FOR RETIRED LAW ENFORCEMENT OFFICERS WORKING COLD CASES**

## **Rule 1. Title**

These Rules shall be known as the “Rules for Income Tax Credit for Retired Law Enforcement Officers who Work Cold Cases.”

## **Rule 2. Scope**

These Rules apply to the administration of Arkansas State Police (ASP) cold case investigations by retired law enforcement officers in exchange for an income tax credit pursuant to Act 841 of 2021, codified at Ark. Code Ann. § 26-51-515.

## **Rule 3. Effective Date**

These Rules shall be effective on and after January 1, 2022.

## **Rule 4. Definitions**

- a. “Cold Case” – any case in which the probative investigative leads have been exhausted.  
These cases primarily focus on unresolved death and missing persons cases.
- b. “Eligibility Certificate” – a certificate issued to an investigator containing the number of hours worked
- c. “Good-standing” – a law enforcement officer not having been not decertified, terminated for cause, or retired while they were the subject of a pending disciplinary action or internal affairs investigation, having no administrative finding for untruthfulness, and no patterns of adverse job actions;

- d. “Investigator” – a retired law enforcement officer, including retired prosecutors, who volunteers or works for the ASP Cold Case Squad in an investigative capacity, pursuant to other rules included herein.

## **Rule 5. Eligibility**

A Cold Case Investigator, any retired law enforcement officer who volunteers or works for the ASP Cold Case Squad as an Investigator under these Rules, must satisfy the following requirements:

- a. Former law enforcement officer who retired in good standing;
- b. Not decertified as a law enforcement officer by any state;
- c. Minimum five (5) years of criminal investigative experience;
- d. Consent to and successfully pass a criminal background investigation and drug screen;  
and,
- e. Sign a non-disclosure agreement regarding the information he or she may obtain while volunteering or working for the ASP Cold Case Squad.

## **Rule 6. Income Tax Credit**

An Investigator who volunteers or works for the ASP Cold Case Squad under these Rules is entitled to an income tax credit up to three thousand five hundred dollars (\$3,500) subject to limitations contained herein. An Investigator who works or volunteers for one thousand (1000) hours on one (1) or more cold cases will be eligible for the full amount of the income tax credit. Investigators who log fewer than one thousand (1000) hours will receive a pro-rata share of the income tax credit according to the number of hours worked. The amount of tax credit claimed by an individual in a year may not exceed the amount of tax due by the taxpayer in that year, and

any unused portion earned may be carried forward for two (2) consecutive years following the year in which it was earned.

### **Rule 7. Time Calculations**

Whether volunteering or working as a paid employee for the ASP Cold Case Squad, Investigators shall enter time spent investigating one (1) or more cold cases on behalf of the Division pursuant to OPM guidelines and the Department of Public Safety Human Resources Division's instructions. All time properly logged in accordance with this Rule will be recorded by ASP and attributed to the Investigator to allow for issuance of an eligibility certificate.

### **Rule 8. Eligibility Certificate**

Upon request, ASP shall prepare and issue an eligibility certificate to the Investigator detailing the number of hours spent investigating one (1) or more cold cases on behalf of the Division in any tax year. ASP may only issue eligibility certificates up to a total of twenty-five thousand dollars (\$25,000) in each fiscal year. Certificates will be issued on a first-come, first-served basis. The Investigator must attach the certificate to the Investigator's income tax return for the tax year in which the credit is claimed. The amount of the income tax credit shall not exceed the amount of income tax due by the Investigator in a calendar year. The certificate must include the following information:

- a. The taxpayer's name and social security number;
- b. The date of issuance;
- c. The amount of credit including the pro-rata share;
- d. The year to which the tax credit applies;
- e. The file number; and
- f. A statement indicating carry-forward two years following the tax year in which the tax credit was earned.

**Rule 9.** Coordination with the Department of Finance and Administration

ASP will provide a copy of each eligibility certificate upon issuance to the Department of Finance and Administration, Division of Revenue – Office of Tax Credits/Special Refunds.