

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009

A Bill

HOUSE BILL 1441

4
5 By: Representative Sample
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For An Act To Be Entitled

9 AN ACT TO COMPREHENSIVELY REVIEW AND IMPROVE THE
10 INCOME TAX STRUCTURE OF THE STATE BY MAXIMIZING
11 THE BENEFIT TO TAXPAYERS UNDER THE CURRENT
12 ECONOMIC AND SOCIAL ENVIRONMENT; TO REQUIRE THE
13 DEPARTMENT OF FINANCE AND ADMINISTRATION TO
14 EXAMINE THE INCOME TAX LAWS AND MAKE
15 RECOMMENDATIONS FOR IMPROVEMENT; AND FOR OTHER
16 PURPOSES.

Subtitle

18 THE INCOME TAX REORGANIZATION AND REFORM
19 ACT OF 2009.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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25 SECTION 1. This act shall be known as the "Income Tax Reorganization
26 and Reform Act of 2009".
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28 SECTION 2. The General Assembly finds:

29 (1) Arkansas has an outmoded income tax structure that is in
30 desperate need of review and restructuring;

31 (2) The current income tax is unduly burdensome to individuals,
32 retirees, families, businesses, and corporations;

33 (3) The income tax structure should appropriately reflect the
34 current economic demographic of the state by imposing income taxes in a fair
35 and balanced manner;

36 (4) The current income tax structure is discouraging retirees



1 from relocating to or remaining in Arkansas;

2 (5) The current income tax structure is punitive and discourages
3 the hardworking citizens of the state; and

4 (6) A comprehensive review of the state's income tax laws and
5 income tax structure can determine the best solutions for our income tax
6 system's problems.

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8 SECTION 3. (a) The Department of Finance and Administration shall
9 undertake a comprehensive review of the state income tax structure under the
10 Income Tax Act of 1929, § 26-51-101 et seq., and provide findings and
11 recommendations to the General Assembly that, if enacted, will:

12 (1) Reduce the individual's income tax burden;

13 (2) Lessen the burden on the state's retirees;

14 (3) Structure the corporate and business income tax to provide
15 incentive for industry to locate and remain in the state; and

16 (4) Result in an overall improvement in the income tax laws to
17 maximize benefit to taxpayers under the current economic and social
18 environment.

19 (b) The Department of Finance and Administration shall report its
20 findings to the House Committee on Revenue and Taxation no later than January
21 1, 2010.

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23 SECTION 4. EMERGENCY CLAUSE. It is found and determined by the
24 General Assembly of the State of Arkansas that the current income tax
25 structure is outmoded and does not reflect the current economic needs, the
26 current social demographic, or achieve overall fairness and balance to
27 taxpayers for the needs of the state. This act will remedy the problems in
28 order to maximize the benefit to all taxpayers and encourage economic
29 investment and spending as well as provide needed relief to retirees,
30 families, and individuals. Therefore, an emergency is declared to exist and
31 this act being immediately necessary for the preservation of the public
32 peace, health, and safety shall become effective on:

33 (1) The date of its approval by the Governor;

34 (2) If the bill is neither approved nor vetoed by the Governor,
35 the expiration of the period of time during which the Governor may veto the
36 bill; or

1 (3) If the bill is vetoed by the Governor and the veto is
2 overridden, the date the last house overrides the veto.

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