

1 State of Arkansas  
2 91st General Assembly  
3 Regular Session, 2017  
4

# A Bill

HOUSE BILL 1396

5 By: Representative Leding  
6

## For An Act To Be Entitled

8 AN ACT TO EXEMPT FROM THE INDIVIDUAL INCOME TAX  
9 EDUCATION SCHOLARSHIPS, AWARDS, AND GRANTS FROM  
10 NONPROFIT VOLUNTEER SERVICE ORGANIZATIONS; AND FOR  
11 OTHER PURPOSES.  
12  
13

## Subtitle

14 TO EXEMPT FROM THE INDIVIDUAL INCOME TAX  
15 EDUCATION SCHOLARSHIPS, AWARDS, AND  
16 GRANTS FROM NONPROFIT VOLUNTEER SERVICE  
17 ORGANIZATIONS.  
18  
19  
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
22

23 SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 3, is  
24 amended to add an additional section to read as follows:

25 26-51-315. Nonprofit volunteer service organization education award.  
26 There is allowed an exemption from the individual income tax imposed by  
27 this chapter for an education scholarship, award, or grant received by a  
28 resident and awarded by a nonprofit volunteer service organization to:

29 (1) Pay for the taxpayer's attendance at an institution of  
30 higher education;

31 (2) Pay for the taxpayer's educational or vocational training;  
32 or

33 (3) Repay a taxpayer's student loan.  
34

35 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax  
36 years beginning on or after January 1, 2017.

