

Act 512 of the 1989 Regular Session.

Act 512

HB1490

By: Representative Wagner

"AN ACT TO AMEND ARKANSAS CODE 26-52-307 TO EXTEND FROM DECEMBER 31, 1989 TO JULY 1, 1990 THE DEADLINE FOR RETIRING UNDER THE TEACHER RETIREMENT SYSTEM IN ORDER TO AVOID STATE INCOME TAX LIABILITY ON RETIREMENT BENEFITS; AND FOR OTHER PURPOSES."

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

SECTION 1. Subsections (a) through (c) of Arkansas Code 26-51-307 are hereby amended to read as follows:

"(a) Except as provided by subsections (b) and (c) of this section, the first six thousand dollars (\$6,000) of retirement or disability benefits received during each income year beginning after December 31, 1984, by any resident of this state from public or private employment-related retirement systems, plans, or programs, regardless of the method of funding for such systems, plans, or programs, shall be exempt from the state income tax.

(b) All retirement benefits, other than disability benefits, received by any resident of this state shall be exempt from the state income tax if:

(1) The recipient has retired under the Arkansas Teacher Retirement System on or before July 1, 1990; or

(2) The recipient has retired on or before December 31, 1989 under the Arkansas Public Employees' Retirement System, the Arkansas State Police Retirement System, the Arkansas State Highway Employees' Retirement System, or any other retirement system (except the Arkansas Teacher Retirement System), the benefits of which were entirely exempt from the state income tax immediately prior to the adoption of this section.

(c) All disability retirement benefits received by any resident of this state shall be exempt from state income tax if:

(1) The recipient has retired on or before July 1, 1990 under the Arkansas Teacher Retirement System; or

(2) The recipient has retired on or before December 31, 1989 and the benefits are received by disabled veterans of the armed services of the United States or benefits received from the Arkansas Public Employees' Retirement System, the Arkansas State Police Retirement System, the Arkansas State Highway Employees' Retirement System, and any other retirement system (except the Arkansas Teacher Retirement System), the disability benefits of which were entirely exempt from the state income tax immediately prior to the adoption of this section."

SECTION 2. All provisions of this Act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 3. All laws and parts of laws in conflict with this Act are hereby repealed.

APPROVED: March 13, 1989
