

1 State of Arkansas *As Engrossed: S2/28/13 S4/16/13 S4/18/13*

2 89th General Assembly

A Bill

3 Regular Session, 2013

SENATE BILL 463

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5 By: Senators J. Hendren, Bledsoe, Bookout, Burnett, Caldwell, E. Cheatham, J. Dismang, J. English,
6 Files, S. Flowers, Hester, Hickey, Holland, J. Hutchinson, Irvin, J. Key, B. King, B. Pierce, Rapert, D.
7 Sanders, G. Stubblefield, E. Williams, J. Woods

8 By: Representatives Alexander, D. Altes, E. Armstrong, Barnett, Broadway, Copenhagen, Ferguson,
9 Gossage, Hodges, Julian, Kizzia, Leding, D. Meeks, B. Overbey, Sabin, D. Whitaker

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For An Act To Be Entitled

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AN ACT TO CREATE AN EXEMPTION FROM THE INCOME TAX FOR
13 SERVICE PAY OR ALLOWANCES RECEIVED BY ACTIVE DUTY
14 MEMBERS OF THE ARMED SERVICES; AND FOR OTHER
15 PURPOSES.

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Subtitle

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TO CREATE AN EXEMPTION FROM THE INCOME
20 TAX FOR SERVICE PAY OR ALLOWANCES
21 RECEIVED BY ACTIVE DUTY MEMBERS OF THE
22 ARMED SERVICES.

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

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27 SECTION 1. Arkansas Code § 26-51-306(a)(1), concerning the income tax
28 treatment of compensation and benefits from military service, is amended to
29 add an additional subdivision to read as follows:

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(D)(i) For tax years beginning on or after January 1,
31 *2014, the service pay or allowance received by an active duty member of the*
32 *armed services is exempt from the income tax imposed under this chapter.*

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(ii) "Active duty member of the armed services"
34 *means all members of the armed forces, including the National Guard and*
35 *Reserve units.*

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1 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax
2 years beginning on or after January 1, 2014.

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4 /s/J. Hendren

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7 **APPROVED: 04/22/2013**
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