

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4
5 By: Senator J. Dismang
6

A Bill

SENATE BILL 159

For An Act To Be Entitled

8 AN ACT TO INCREASE THE INCOME TAX EXEMPTION FOR ARMED
9 SERVICES PAY; AND FOR OTHER PURPOSES.

Subtitle

12 TO INCREASE THE INCOME TAX EXEMPTION FOR
13 ARMED SERVICES PAY.
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 SECTION 1. Arkansas Code § 26-51-306(a)(1), concerning compensation
20 and benefits from military service, is amended to read as follows:

21 (a)(1)(A) For tax years beginning before January 1, 2007, no member of
22 the armed services of the United States shall be liable for or required to
23 pay any income tax on the first six thousand dollars (\$6,000) of service pay
24 or allowances.

25 (B)(i) For tax years 2005 and 2006, enlisted personnel of
26 the armed services of the State of Arkansas or of the United States shall not
27 be liable for or required to pay any income tax on the first nine thousand
28 dollars (\$9,000) of service pay or allowances.

29 (ii) For tax years 2005 and 2006, an officer or a
30 warrant officer of the armed services of the State of Arkansas or of the
31 United States is only entitled to the exemption in subdivision (a)(1)(A) of
32 this section and is not entitled to the exemption in subdivision (a)(1)(B)(i)
33 of this section.

34 (C) For tax years beginning ~~on and after~~ from January 1,
35 2007, until December 31, 2010, any member of the armed services of the State
36 of Arkansas or the United States is not liable for or required to pay any



1 income tax on the first nine thousand dollars (\$9,000) of service pay or
2 allowance.

3 (D) For tax years beginning on and after January 1, 2011,
4 any member of the armed services of the State of Arkansas or the United
5 States is not liable for or required to pay any income tax on the first
6 twelve thousand dollars (\$12,000) of service pay or allowance.

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8 SECTION 2. Section 1 of this act is effective for tax years beginning
9 on or after January 1, 2011.

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