1	State of Arkansas	As Engrossed: H3/1/21	
2	93rd General Assembly	A Bill	
3	Regular Session, 2021		HOUSE BILL 1190
4			
5	By: Representatives Ray, Bark	xer, Beaty Jr., Beck, Bentley, M. Berry, Boyd, Br	agg, Breaux, Brooks,
6	Bryant, Carr, Cavenaugh, Christiansen, Cloud, Coleman, C. Cooper, Dotson, Evans, Furman, Gazaway,		
7	Gonzales, M. Gray, Haak, Hawks, Hollowell, Jett, L. Johnson, Lowery, Lundstrum, Maddox, McClure,		
8	McCollum, M. McElroy, Milligan, Penzo, Pilkington, Rye, B. Smith, Speaks, Tollett, Underwood, Vaught,		
9	Warren, Wing, Womack, Wooten		
10	By: Senators M. Johnson, Gilmore, Hester, D. Sullivan, D. Wallace		
11			
12	For An Act To Be Entitled		
13	AN ACT TO A	AMEND THE INDIVIDUAL INCOME TAX LAWS	S; TO
14	PROVIDE A COST-OF-LIVING ADJUSTMENT FOR THE STANDARD		
15	DEDUCTION; AND FOR OTHER PURPOSES.		
16			
17			
18	Subtitle		
19	TO AM	END THE INDIVIDUAL INCOME TAX LAWS;	
20	AND TO PROVIDE A COST-OF-LIVING		
21	ADJUS	TMENT FOR THE STANDARD DEDUCTION.	
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24	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:		
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26	SECTION 1. Arkan	nsas Code § 26-51-430, concerning th	he standard income
27	tax deduction, is amend	ded to add an additional subsection	to read as follows:
28	(c)(1) The Secre	etary of the Department of Finance a	and Administration
29	shall increase annually	y the standard deduction provided un	nder subsection (b)
30	of this section by the	cost-of-living adjustment for the c	current calendar
31	year, rounding the amou	unt to the nearest ten dollars (\$10	<u>.00).</u>
32	(2)(A)(i) For purposes of subdivision (c)(1) of this section,		
33	the cost-of-living adjustment for a calendar year is the percentage, if any,		
34	by which the Consumer Price Index for the current calendar year exceeds the		
35	Consumer Price Index for the preceding calendar year, not to exceed three		
36	percent (3%).		

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1	(ii) If the Consumer Price Index for the current		
2	calendar year does not exceed the Consumer Price Index for the preceding		
3	calendar year, the standard deduction shall not be adjusted under this		
4	subsection for that year.		
5	(B) The Consumer Price Index for a calendar year is the		
6	average of the Consumer Price Index as of the close of the twelve-month		
7	period ending on August 31 of that calendar year.		
8	(C) As used in this subsection, "Consumer Price Index"		
9	means the most recent Consumer Price Index for all Urban Consumers published		
10	by the United States Department of Labor.		
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12	SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax		
13	years beginning on or after January 1, 2021.		
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15	/s/Ray		
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