

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

A Bill

HOUSE BILL 1403

5 By: Representatives Maddox, McCollum, Lundstrum, Hollowell, Ray
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For An Act To Be Entitled

8 AN ACT TO AMEND THE INCOME TAX; TO REDUCE THE RATE OF
9 TAX LEVIED ON THE TOP INCOME TAX BRACKET; AND FOR
10 OTHER PURPOSES.
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Subtitle

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13 TO AMEND THE INCOME TAX; AND TO REDUCE
14 THE RATE OF TAX LEVIED ON THE TOP INCOME
15 TAX BRACKET.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 26-51-201(a)(7), concerning the rate of tax
22 levied on the income of individuals, trusts, and estates, is amended to read
23 as follows:

24 (7) Every resident, individual, trust, or estate having net
25 income greater than or equal to twenty-two thousand two hundred dollars
26 (\$22,200), but less than or equal to seventy-nine thousand three hundred
27 dollars (\$79,300), shall determine the amount of income tax due under this
28 subsection in accordance with the table set forth below:

29 From	Less Than or Equal To	Rate
30 \$0	\$4,499	0.75%
31 \$4,500	\$8,899	2.5%
32 \$8,900	\$13,399	3.5%
33 \$13,400	\$22,199	4.5%
34 \$22,200	\$37,199	5%
35 \$37,200	\$79,300	5.9% <u>5.8%</u>



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SECTION 2. Arkansas Code § 26-51-201(a)(9), concerning the rate of tax levied on the income of individuals, trusts, and estates, is amended to add an additional subdivision to read as follows:

(C) For tax years beginning on and after January 1, 2022, every resident, individual, trust, or estate having net income of more than seventy-nine thousand three hundred dollars (\$79,300) shall determine the amount of income tax due under this subsection in accordance with the table set forth below:

<u>From</u>	<u>Less Than or Equal To</u>	<u>Rate</u>
<u>\$0</u>	<u>\$4,000</u>	<u>2%</u>
<u>\$4,001</u>	<u>\$8,000</u>	<u>4%</u>
<u>\$8,001 and above</u>		<u>5.8%</u>

SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective for tax years beginning on or after January 1, 2022.