

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

State of Arkansas

82nd General Assembly

Regular Session, 1999

A Bill

HOUSE BILL 2159

By: Representative Morris

For An Act To Be Entitled

"AN ACT TO ALLOW AN INCOME TAX CREDIT FOR EDUCATION
RELATED EXPENSES; AND FOR OTHER PURPOSES."

Subtitle

"ACT TO ALLOW AN INCOME TAX CREDIT FOR
EDUCATION RELATED EXPENSES."

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

SECTION 1. (a) For purposes of this act, "educational related expenses"
means:

(1) fees or tuition for instruction by an instructor, or for
instruction outside the regular school day or school year, including tutoring,
or summer camps, in grade or age appropriate curricula that supplement
curricula and instruction available during the school year, that assists a
dependent to improve knowledge of core curriculum areas and that do not
include the teaching of religious tenets, doctrines, or worship, nor does it
include books or materials for extracurricular activities including sporting
events, musical or dramatic events, speech activities, driver's education, or
similar programs; and

(2) expenses for textbooks, including books and other
instructional books and materials and equipment used in elementary or
secondary schools in teaching only those subjects legally and commonly taught
in public elementary and secondary schools in this state. "Textbooks" does
not include instructional books and materials for extracurricular activities
including sporting events, musical or dramatic events, speech activities,
driver's education, or similar programs; and

(3) a maximum expense of two hundred dollars (\$200) per family

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1 for personal computer hardware, excluding single purpose processors, and
2 educational software that assists a dependent to improve knowledge of core
3 curriculum areas; and

4 (4) the amount paid for transportation of a dependent attending
5 an elementary or secondary school situated in the state; and

6 (b) For taxable years beginning on and after January 1, 1999, a credit
7 is allowed against the taxes imposed by the Arkansas Income Tax Act, as
8 amended, §§ 26-51-101 through 26-51-1801 for the amount of education related
9 expenses incurred by a dependent in a primary or secondary school in this
10 state.

11 (c) The amount of the credit shall be equal to two hundred dollars
12 (\$200) per dependent child and no greater than five hundred dollars (\$500) per
13 taxpayer. These limitations apply to taxpayers who elect to file a joint
14 return for the taxable year. A husband and wife who file separate returns for
15 a taxable year in which they could have filed a joint return may each claim
16 only one-half (1/2) of the tax credit that would have been allowed for a joint
17 return.

18
19 SECTION 2. All provisions of this Act of a general and permanent nature
20 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
21 Revision Commission shall incorporate the same in the Code.

22
23 SECTION 3. If any provision of this Act or the application thereof to
24 any person or circumstance is held invalid, such invalidity shall not affect
25 other provisions or applications of the Act which can be given effect without
26 the invalid provision or application, and to this end the provisions of this
27 Act are declared to be severable.

28
29 SECTION 4. All laws and parts of laws in conflict with this Act are
30 hereby repealed.