

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003

A Bill

HOUSE BILL 1004

4
5 By: Representative Prater
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For An Act To Be Entitled

8
9 AN ACT TO EXEMPT CERTAIN BONUS PAY FROM ARKANSAS
10 INCOME TAXATION; AND FOR OTHER PURPOSES.
11

Subtitle

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14 TO EXEMPT CERTAIN BONUS PAY FROM
15 ARKANSAS INCOME TAXATION.
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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20 SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 3 is amended
21 to add an additional section to read as follows:

22 26-51-311. Bonus pay.

23 (a) As used in this section:

24 (1) "Bonus" means money or other property paid to an employee in
25 addition to the regular or base compensation or wages;

26 (2) "Employee" means any individual subject to the Arkansas
27 Income Tax Act, § 26-51-101 et seq., who performs or performed services for
28 an employer in exchange for wages; and

29 (3) "Employer" means a person or other entity who has control of
30 the payment of wages to an individual for services performed.

31 (b) There is exempted from state individual income tax the first five
32 hundred dollars (\$500) of bonus income paid by an employer to an employee
33 during any calendar year.

34 (c) This section is effective for tax years beginning on and after
35 January 1, 2003.
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