

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
4

As Engrossed: S2/6/03
A Bill

SENATE BILL 73

5 By: Senator Altes
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For An Act To Be Entitled

9 AN ACT TO ESTABLISH AN INCOME TAX CREDIT FOR
10 EDUCATION EXPENSES; AND FOR OTHER PURPOSES.
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Subtitle

12 AN ACT TO ESTABLISH AN INCOME TAX CREDIT
13 FOR EDUCATION EXPENSES.
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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 Title 26, Chapter 51, Subchapter 5 is amended
20 by adding an additional section to read as follows:

21 26-51-511. Education expense credit.

22 (a) There shall be allowed a credit against the tax imposed by the
23 Income Tax Act of 1929, as amended, for persons who have a child who is a
24 full-time pupil enrolled in a kindergarten through grade twelve (K-12)
25 education program at any school.

26 (b) If a person's expenses for tuition, book fees, and lab fees
27 required by the school for tax year exceeds three hundred dollars (\$300), the
28 amount of the credit shall be equal to twenty-five percent (25%) of the
29 tuition, book fees, and lab fees required by the school in which the pupil is
30 enrolled during the regular school year with a maximum credit of five hundred
31 dollars (\$500).

32 (c)(1) The amount of the credit that may be used by the taxpayer shall
33 not exceed the amount of individual income tax due.

34 (2) Any unused credit may be carried over for a maximum of two
35 (2) consecutive taxable years.

36 (3)(A) The credit is limited to a maximum of five hundred



1 dollars (\$500) per taxpayer per tax year.

2 (B) Married taxpayers filing separately on different
3 returns may split the credit equally, with each spouse limited to a maximum
4 credit of two hundred fifty dollars (\$250) per tax year.

5 (d) The Director of the Department of Finance and Administration shall
6 promulgate regulations administering the provisions of this section
7 including, but not limited to, filing documentation verifying that the child
8 or children are in a qualifying school.

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10 SECTION 2. This act applies to tax years beginning on or after January
11 1, 2003.

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13 /s/ Altes
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