

1 State of Arkansas  
2 84th General Assembly  
3 First Extraordinary Session, 2003  
4

Call Item 17

# A Bill

HOUSE BILL 1029

5 By: Representative Hickinbotham  
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## For An Act To Be Entitled

9 AN ACT TO LEVY A SEVEN PERCENT (7%) INCOME TAX  
10 SURCHARGE; AND FOR OTHER PURPOSES.  
11

## Subtitle

13 AN ACT TO LEVY A SEVEN PERCENT (7%)  
14 INCOME TAX SURCHARGE.  
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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 2, is  
20 amended to add a new section to read as follows:

21 26-51-207. Income tax surcharge.

22 (a) In addition to the tax levied by §§ 26-51-201 through 26-51-206,  
23 26-51-301, and 26-51-302, there is levied an income tax surcharge of seven  
24 percent (7%) of the tax liability of every person required to file an  
25 Arkansas income tax return.

26 (b)(1) If an individual is a resident of an Arkansas border city  
27 described in § 26-52-601, et seq., then the individual shall be liable for  
28 the income tax surcharge levied in subsection (a) of this section.

29 (2) The surcharge shall be computed on the tax liability that  
30 would have been due had the income tax exemption of § 26-52-601, et seq., not  
31 been available.

32 (3) The income tax exemption of § 26-52-601, et seq., shall not  
33 apply to the income tax levied in subsection (a) of this section.

34 (c) The revenues derived from the additional tax imposed by this  
35 section shall be credited to the General Revenue Fund Account of the State  
36 Apportionment Fund, there to be distributed with the other gross general



1 revenue collections in accordance with the provisions of § 19-5-201 et seq.

2 (d) For purposes of this section, "tax liability" means the tax  
3 imposed pursuant to §§ 26-51-201 through 26-51-206, 26-51-301, and 26-52-302,  
4 before the application of any tax credits.

5 (e) This section shall apply only to tax years beginning in calendar  
6 years 2003 and 2004.

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