

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 86th General Assembly
3 Regular Session, 2007
4

A Bill

HOUSE BILL 1443

5 By: Representatives Anderson, Petrus, Sullivan, Thyer, Garner, Abernathy, Adcock, Allen, T. Baker,
6 Berry, Bond, T. Bradford, Breedlove, E. Brown, J. Brown, Burkes, Burris, Cash, Cheatham, Chesterfield,
7 Cook, Cooper, Cornwell, L. Cowling, D. Creekmore, Davis, Dickinson, S. Dobbins, Dunn, Edwards, L.
8 Evans, D. Evans, Everett, Flowers, Gaskill, George, Glidewell, Greenberg, Hall, Hardwick, Hardy,
9 Harris, House, Hoyt, D. Hutchinson, Hyde, Jeffrey, J. Johnson, D. Johnson, Kenney, Key, Kidd, King,
10 Lamoureux, W. Lewellen, Lovell, Lowery, Maloch, M. Martin, Maxwell, Medley, Moore, Norton,
11 Overbey, Pace, Pate, Patterson, Pennartz, Pickett, Powers, S. Prater, Pyle, Ragland, Reep, Reynolds, J.
12 Roebuck, Rogers, Rosenbaum, Saunders, Schulte, Shelby, Stewart, Sumpter, Wagner, Walters, Webb,
13 Wells, Wills, Wood, Woods, Wyatt
14 By: Senators Steele, Bisbee
15
16

For An Act To Be Entitled

18 AN ACT TO PROVIDE INCOME TAX RELIEF FOR TAXPAYERS
19 WITH INCOME BELOW THE FEDERAL POVERTY LEVEL; TO
20 PROVIDE INCOME TAX RELIEF FOR OTHER LOW INCOME
21 TAX RESIDENTS OF ARKANSAS; AND FOR OTHER
22 PURPOSES.
23

Subtitle

25 AN ACT TO PROVIDE INCOME TAX RELIEF FOR
26 LOW INCOME TAXPAYERS.
27
28

29 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
30

31 SECTION 1. Arkansas Code § 26-51-301 is amended to read as follows:

32 26-51-301. Individuals exempt from taxation or qualifying for ~~reduced~~
33 ~~tax rates~~ — ~~Election of rates~~ the low income tax credit.

34 (a) As used in this section:

35 (1) "Head of household" means the same as defined in 26 U.S.C. §
36 2(b) of the Internal Revenue Code of 1986, as in effect on January 1, 2007;



1 (2) "Qualifying widow or widower" means the "surviving
 2 spouse" as defined in 26 U.S.C. § 2(a) of the Internal Revenue Code of 1986,
 3 as in effect on January 1, 2007.

4 ~~(a)(b)~~ ~~There shall be exempted from state individual income tax the~~
 5 ~~following income categories:~~ Beginning with tax year 2007, the following
 6 taxpayers are exempt from state individual income tax:

7 (1) A single individual whose gross income does not exceed ~~seven~~
 8 ~~thousand seven hundred dollars (\$7,700)~~ ten thousand two hundred dollars
 9 (\$10,200) for any income year;

10 (2) A married couple filing jointly with one (1) or fewer
 11 dependents whose gross income does not exceed ~~fifteen thousand five hundred~~
 12 ~~dollars (\$15,500)~~ seventeen thousand two hundred dollars (\$17,200) for any
 13 income year;

14 (3) A married couple filing jointly with two (2) or more
 15 dependents whose gross income does not exceed twenty thousand seven hundred
 16 dollars (\$20,700) for any income year; and

17 ~~(3)~~ (4) An unmarried A head of household or qualifying widow or
 18 widower with one (1) or more dependents, whose gross income for any income
 19 year does not exceed twelve thousand dollars (\$12,000) thirteen thousand
 20 seven hundred dollars (\$13,700) for any income year.

21 ~~(b) However:~~

22 ~~(1) Any single individual whose gross income for the taxable~~
 23 ~~year is more than seven thousand seven hundred dollars (\$7,700) but not more~~
 24 ~~than eleven thousand four hundred dollars (\$11,400) may compute the income~~
 25 ~~tax payable on the income in excess of seven thousand seven hundred dollars~~
 26 ~~(\$7,700) from Reduced Tax Table A in § 26-51-302;~~

27 ~~(2) Any married couple filing jointly whose gross income for the~~
 28 ~~taxable year is more than fifteen thousand five hundred dollars (\$15,500) but~~
 29 ~~not more than sixteen thousand two hundred dollars (\$16,200) may compute the~~
 30 ~~income tax payable on the income in excess of fifteen thousand five hundred~~
 31 ~~dollars (\$15,500) from Reduced Tax Table B in § 26-51-302; and~~

32 ~~(3) Any head of household whose gross income for the taxable~~
 33 ~~year is more than twelve thousand dollars (\$12,000) but not more than sixteen~~
 34 ~~thousand two hundred dollars (\$16,200) may compute the income tax payable on~~
 35 ~~the income in excess of twelve thousand dollars (\$12,000) from Reduced Tax~~
 36 ~~Table C in § 26-51-302.~~

1 ~~(c) As used in this section, "head of household" means the same as~~
2 ~~defined in § 2(b) of the Internal Revenue Code of 1986, in effect on January~~
3 ~~1, 2005.~~

4 ~~(d) [Repealed.]~~

5 ~~(e) The reduced tax tables cannot be used if the exemption provided~~
6 ~~for in § 26 51 306 or the six thousand dollar (\$6,000) exemption provided for~~
7 ~~in § 26 51 307 is claimed or if the taxpayer itemizes deductions.~~

8 ~~(f)(1) Only the persons defined in this section may enjoy the special~~
9 ~~gross income exemption and the use of the reduced tax tables of § 26 51 302.~~

10 ~~(2) All other persons not falling within these specifically~~
11 ~~defined categories are subject to the income tax rates provided in § 26 51-~~
12 ~~201.~~

13 ~~(3) However, nothing in this section or § 26 51 302 shall be~~
14 ~~construed to prevent any person covered by this section or § 26 51 302 from~~
15 ~~electing to be taxed under the tax rates set forth by § 26 51 201 (a) and~~
16 ~~(b).~~

17 (c) Beginning with tax year 2007, the following taxpayers are eligible
18 for a low income tax credit:

19 (1) A single individual whose gross income for the taxable year
20 is more than ten thousand two hundred dollars (\$10,200) but less than
21 thirteen thousand five hundred (\$13,500);

22 (2) A married couple filing jointly with one (1) or fewer
23 dependents whose gross income for the taxable year is more than seventeen
24 thousand two hundred dollars (\$17,200) but less than twenty-one thousand four
25 hundred dollars (\$21,400);

26 (3) A married couple filing jointly with two (2) or more
27 dependents whose gross income for the taxable year is more than twenty
28 thousand seven hundred dollars (\$20,700) but less than twenty-six thousand
29 seven hundred dollars (\$26,700); and

30 (4) A head of household or a qualifying widow or widower with
31 one (1) or more dependents whose gross income for the taxable year is more
32 than thirteen thousand seven hundred dollars (\$13,700) but less than
33 seventeen thousand seven hundred (\$17,700).

34 (d) For income tax year 2007, the low income tax credit in subsection
35 (c) of this section shall be determined in accordance with the tables below,
36 based upon the taxpayer's filing status:

1	<u>Single Taxpayer</u>		
2	<u>From</u>	<u>But Less</u>	<u>Credit</u>
3		<u>Than</u>	<u>Amount</u>
4	<u>\$10,201</u>	<u>\$10,300</u>	<u>\$130</u>
5	<u>\$10,301</u>	<u>\$10,400</u>	<u>\$126</u>
6	<u>\$10,401</u>	<u>\$10,500</u>	<u>\$122</u>
7	<u>\$10,501</u>	<u>\$10,600</u>	<u>\$118</u>
8	<u>\$10,601</u>	<u>\$10,700</u>	<u>\$114</u>
9	<u>\$10,701</u>	<u>\$10,800</u>	<u>\$110</u>
10	<u>\$10,801</u>	<u>\$10,900</u>	<u>\$106</u>
11	<u>\$10,901</u>	<u>\$11,000</u>	<u>\$102</u>
12	<u>\$11,001</u>	<u>\$11,100</u>	<u>\$98</u>
13	<u>\$11,101</u>	<u>\$11,200</u>	<u>\$94</u>
14	<u>\$11,201</u>	<u>\$11,300</u>	<u>\$90</u>
15	<u>\$11,301</u>	<u>\$11,400</u>	<u>\$86</u>
16	<u>\$11,401</u>	<u>\$11,500</u>	<u>\$82</u>
17	<u>\$11,501</u>	<u>\$11,600</u>	<u>\$78</u>
18	<u>\$11,601</u>	<u>\$11,700</u>	<u>\$74</u>
19	<u>\$11,701</u>	<u>\$11,800</u>	<u>\$70</u>
20	<u>\$11,801</u>	<u>\$11,900</u>	<u>\$66</u>
21	<u>\$11,901</u>	<u>\$12,000</u>	<u>\$62</u>
22	<u>\$12,001</u>	<u>\$12,100</u>	<u>\$58</u>
23	<u>\$12,101</u>	<u>\$12,200</u>	<u>\$54</u>
24	<u>\$12,201</u>	<u>\$12,300</u>	<u>\$50</u>
25	<u>\$12,301</u>	<u>\$12,400</u>	<u>\$46</u>
26	<u>\$12,401</u>	<u>\$12,500</u>	<u>\$42</u>
27	<u>\$12,501</u>	<u>\$12,600</u>	<u>\$38</u>
28	<u>\$12,601</u>	<u>\$12,700</u>	<u>\$34</u>
29	<u>\$12,701</u>	<u>\$12,800</u>	<u>\$30</u>
30	<u>\$12,801</u>	<u>\$12,900</u>	<u>\$26</u>
31	<u>\$12,901</u>	<u>\$13,000</u>	<u>\$22</u>
32	<u>\$13,001</u>	<u>\$13,100</u>	<u>\$18</u>
33	<u>\$13,101</u>	<u>\$13,200</u>	<u>\$14</u>
34	<u>\$13,201</u>	<u>\$13,300</u>	<u>\$10</u>
35	<u>\$13,301</u>	<u>\$13,400</u>	<u>\$6</u>
36	<u>\$13,401</u>	<u>\$13,500</u>	<u>\$2</u>

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Married Filing Jointly With One or Fewer Dependents

<u>From</u>	<u>But Less Than</u>	<u>Credit Amount</u>
\$17,201	\$17,300	\$290
\$17,301	\$17,400	\$283
\$17,401	\$17,500	\$276
\$17,501	\$17,600	\$269
\$17,601	\$17,700	\$262
\$17,701	\$17,800	\$255
\$17,801	\$17,900	\$248
\$17,901	\$18,000	\$241
\$18,001	\$18,100	\$234
\$18,101	\$18,200	\$227
\$18,201	\$18,300	\$220
\$18,301	\$18,400	\$213
\$18,401	\$18,500	\$206
\$18,501	\$18,600	\$199
\$18,601	\$18,700	\$192
\$18,701	\$18,800	\$185
\$18,801	\$18,900	\$178
\$18,901	\$19,000	\$171
\$19,001	\$19,100	\$164
\$19,101	\$19,200	\$157
\$19,201	\$19,300	\$150
\$19,301	\$19,400	\$143
\$19,401	\$19,500	\$136
\$19,501	\$19,600	\$129
\$19,601	\$19,700	\$122
\$19,701	\$19,800	\$115
\$19,801	\$19,900	\$108
\$19,901	\$20,000	\$101
\$20,001	\$20,100	\$94
\$20,101	\$20,200	\$87
\$20,201	\$20,300	\$80
\$20,301	\$20,400	\$73

1	<u>\$20,401</u>	<u>\$20,500</u>	<u>\$66</u>
2	<u>\$20,501</u>	<u>\$20,600</u>	<u>\$59</u>
3	<u>\$20,601</u>	<u>\$20,700</u>	<u>\$52</u>
4	<u>\$20,701</u>	<u>\$20,800</u>	<u>\$45</u>
5	<u>\$20,801</u>	<u>\$20,900</u>	<u>\$38</u>
6	<u>\$20,901</u>	<u>\$21,000</u>	<u>\$31</u>
7	<u>\$21,001</u>	<u>\$21,100</u>	<u>\$24</u>
8	<u>\$21,101</u>	<u>\$21,200</u>	<u>\$17</u>
9	<u>\$21,201</u>	<u>\$21,300</u>	<u>\$10</u>
10	<u>\$21,301</u>	<u>\$21,400</u>	<u>\$3</u>

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12 Married Filing Jointly With Two or More Dependents

13		<u>But Less</u>	<u>Credit</u>
14	<u>From</u>	<u>Than</u>	<u>Amount</u>
15	<u>\$20,701</u>	<u>\$20,800</u>	<u>\$416</u>
16	<u>\$20,801</u>	<u>\$20,900</u>	<u>\$409</u>
17	<u>\$20,901</u>	<u>\$21,000</u>	<u>\$402</u>
18	<u>\$21,001</u>	<u>\$21,100</u>	<u>\$395</u>
19	<u>\$21,101</u>	<u>\$21,200</u>	<u>\$388</u>
20	<u>\$21,201</u>	<u>\$21,300</u>	<u>\$381</u>
21	<u>\$21,301</u>	<u>\$21,400</u>	<u>\$374</u>
22	<u>\$21,401</u>	<u>\$21,500</u>	<u>\$367</u>
23	<u>\$21,501</u>	<u>\$21,600</u>	<u>\$360</u>
24	<u>\$21,601</u>	<u>\$21,700</u>	<u>\$353</u>
25	<u>\$21,701</u>	<u>\$21,800</u>	<u>\$346</u>
26	<u>\$21,801</u>	<u>\$21,900</u>	<u>\$339</u>
27	<u>\$21,901</u>	<u>\$22,000</u>	<u>\$332</u>
28	<u>\$22,001</u>	<u>\$22,100</u>	<u>\$325</u>
29	<u>\$22,101</u>	<u>\$22,200</u>	<u>\$318</u>
30	<u>\$22,201</u>	<u>\$22,300</u>	<u>\$311</u>
31	<u>\$22,301</u>	<u>\$22,400</u>	<u>\$304</u>
32	<u>\$22,401</u>	<u>\$22,500</u>	<u>\$297</u>
33	<u>\$22,501</u>	<u>\$22,600</u>	<u>\$290</u>
34	<u>\$22,601</u>	<u>\$22,700</u>	<u>\$283</u>
35	<u>\$22,701</u>	<u>\$22,800</u>	<u>\$276</u>
36	<u>\$22,801</u>	<u>\$22,900</u>	<u>\$269</u>

1	<u>\$22,901</u>	<u>\$23,000</u>	<u>\$262</u>
2	<u>\$23,001</u>	<u>\$23,100</u>	<u>\$255</u>
3	<u>\$23,101</u>	<u>\$23,200</u>	<u>\$248</u>
4	<u>\$23,201</u>	<u>\$23,300</u>	<u>\$241</u>
5	<u>\$23,301</u>	<u>\$23,400</u>	<u>\$234</u>
6	<u>\$23,401</u>	<u>\$23,500</u>	<u>\$227</u>
7	<u>\$23,501</u>	<u>\$23,600</u>	<u>\$220</u>
8	<u>\$23,601</u>	<u>\$23,700</u>	<u>\$213</u>
9	<u>\$23,701</u>	<u>\$23,800</u>	<u>\$206</u>
10	<u>\$23,801</u>	<u>\$23,900</u>	<u>\$199</u>
11	<u>\$23,901</u>	<u>\$24,000</u>	<u>\$192</u>
12	<u>\$24,001</u>	<u>\$24,100</u>	<u>\$185</u>
13	<u>\$24,101</u>	<u>\$24,200</u>	<u>\$178</u>
14	<u>\$24,201</u>	<u>\$24,300</u>	<u>\$171</u>
15	<u>\$24,301</u>	<u>\$24,400</u>	<u>\$164</u>
16	<u>\$24,401</u>	<u>\$24,500</u>	<u>\$157</u>
17	<u>\$24,501</u>	<u>\$24,600</u>	<u>\$150</u>
18	<u>\$24,601</u>	<u>\$24,700</u>	<u>\$143</u>
19	<u>\$24,701</u>	<u>\$24,800</u>	<u>\$136</u>
20	<u>\$24,801</u>	<u>\$24,900</u>	<u>\$129</u>
21	<u>\$24,901</u>	<u>\$25,000</u>	<u>\$122</u>
22	<u>\$25,001</u>	<u>\$25,100</u>	<u>\$115</u>
23	<u>\$25,101</u>	<u>\$25,200</u>	<u>\$108</u>
24	<u>\$25,201</u>	<u>\$25,300</u>	<u>\$101</u>
25	<u>\$25,301</u>	<u>\$25,400</u>	<u>\$94</u>
26	<u>\$25,401</u>	<u>\$25,500</u>	<u>\$87</u>
27	<u>\$25,501</u>	<u>\$25,600</u>	<u>\$80</u>
28	<u>\$25,601</u>	<u>\$25,700</u>	<u>\$73</u>
29	<u>\$25,701</u>	<u>\$25,800</u>	<u>\$66</u>
30	<u>\$25,801</u>	<u>\$25,900</u>	<u>\$59</u>
31	<u>\$25,901</u>	<u>\$26,000</u>	<u>\$52</u>
32	<u>\$26,001</u>	<u>\$26,100</u>	<u>\$45</u>
33	<u>\$26,101</u>	<u>\$26,200</u>	<u>\$38</u>
34	<u>\$26,201</u>	<u>\$26,300</u>	<u>\$31</u>
35	<u>\$26,301</u>	<u>\$26,400</u>	<u>\$24</u>
36	<u>\$26,401</u>	<u>\$26,500</u>	<u>\$17</u>

1	<u>\$26,501</u>	<u>\$26,600</u>	<u>\$10</u>
2	<u>\$26,601</u>	<u>\$26,700</u>	<u>\$3</u>

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4 Head of Household/Qualifying Widow or Widower

5	<u>From</u>	<u>But Less Than</u>	<u>Credit Amount</u>
6			
7	<u>\$13,701</u>	<u>\$13,800</u>	<u>\$236</u>
8	<u>\$13,801</u>	<u>\$13,900</u>	<u>\$230</u>
9	<u>\$13,901</u>	<u>\$14,000</u>	<u>\$224</u>
10	<u>\$14,001</u>	<u>\$14,100</u>	<u>\$218</u>
11	<u>\$14,101</u>	<u>\$14,200</u>	<u>\$212</u>
12	<u>\$14,201</u>	<u>\$14,300</u>	<u>\$206</u>
13	<u>\$14,301</u>	<u>\$14,400</u>	<u>\$200</u>
14	<u>\$14,401</u>	<u>\$14,500</u>	<u>\$194</u>
15	<u>\$14,501</u>	<u>\$14,600</u>	<u>\$188</u>
16	<u>\$14,601</u>	<u>\$14,700</u>	<u>\$182</u>
17	<u>\$14,701</u>	<u>\$14,800</u>	<u>\$176</u>
18	<u>\$14,801</u>	<u>\$14,900</u>	<u>\$170</u>
19	<u>\$14,901</u>	<u>\$15,000</u>	<u>\$164</u>
20	<u>\$15,001</u>	<u>\$15,100</u>	<u>\$158</u>
21	<u>\$15,101</u>	<u>\$15,200</u>	<u>\$152</u>
22	<u>\$15,201</u>	<u>\$15,300</u>	<u>\$146</u>
23	<u>\$15,301</u>	<u>\$15,400</u>	<u>\$140</u>
24	<u>\$15,401</u>	<u>\$15,500</u>	<u>\$134</u>
25	<u>\$15,501</u>	<u>\$15,600</u>	<u>\$128</u>
26	<u>\$15,601</u>	<u>\$15,700</u>	<u>\$122</u>
27	<u>\$15,701</u>	<u>\$15,800</u>	<u>\$116</u>
28	<u>\$15,801</u>	<u>\$15,900</u>	<u>\$110</u>
29	<u>\$15,901</u>	<u>\$16,000</u>	<u>\$104</u>
30	<u>\$16,001</u>	<u>\$16,100</u>	<u>\$98</u>
31	<u>\$16,101</u>	<u>\$16,200</u>	<u>\$92</u>
32	<u>\$16,201</u>	<u>\$16,300</u>	<u>\$86</u>
33	<u>\$16,301</u>	<u>\$16,400</u>	<u>\$80</u>
34	<u>\$16,401</u>	<u>\$16,500</u>	<u>\$74</u>
35	<u>\$16,501</u>	<u>\$16,600</u>	<u>\$68</u>
36	<u>\$16,601</u>	<u>\$16,700</u>	<u>\$62</u>

1	<u>\$16,701</u>	<u>\$16,800</u>	<u>\$56</u>
2	<u>\$16,801</u>	<u>\$16,900</u>	<u>\$50</u>
3	<u>\$16,901</u>	<u>\$17,000</u>	<u>\$44</u>
4	<u>\$17,001</u>	<u>\$17,100</u>	<u>\$38</u>
5	<u>\$17,101</u>	<u>\$17,200</u>	<u>\$32</u>
6	<u>\$17,201</u>	<u>\$17,300</u>	<u>\$26</u>
7	<u>\$17,301</u>	<u>\$17,400</u>	<u>\$20</u>
8	<u>\$17,401</u>	<u>\$17,500</u>	<u>\$14</u>
9	<u>\$17,501</u>	<u>\$17,600</u>	<u>\$8</u>
10	<u>\$17,601</u>	<u>\$17,700</u>	<u>\$2</u>

11

12 (e)(1) For tax years beginning on or after January 1, 2008, for
 13 purposes of determining the exemptions from income tax in subsection (b) of
 14 this section and determining eligibility for the low income tax credit in
 15 this section, the gross income amounts in subsections (b) and (c) of this
 16 section shall be adjusted annually by the cost-of-living adjustment for the
 17 current calendar year, rounded to the nearest whole dollar.

18 (2) For purposes of this subsection, the cost-of-living
 19 adjustment for any calendar year is the percentage, if any, not to exceed
 20 three percent (3%), by which the Consumer Price Index for the current
 21 calendar year exceeds the Consumer Price Index for the preceding calendar
 22 year.

23 (3) The Consumer Price Index for any calendar year is the
 24 average of the Consumer Price Index as of the close of the twelve-month
 25 period ending on August 31 of that calendar year.

26 (4) As used in this subsection, "Consumer Price Index" means the
 27 last Consumer Price Index for All Urban Consumers published by the United
 28 States Department of Labor.

29 (f) For tax years beginning on or after January 1, 2008, following
 30 the cost-of-living adjustment for the Consumer Price Index as provided in
 31 subsection (e) of this section, the low income tax credit in this section and
 32 the gross income limitations outlined in the tables in subsection (d) of this
 33 section shall be adjusted annually using the following method:

34 (1) For a single individual, the amount of the low income tax
 35 credit allowable shall be eighty percent (80%) of the income tax due upon the
 36 amount of gross income in subdivision (c)(1) of this section, indexed as

1 provided in subsection (e) of this section, and reduced, but not below zero
 2 dollars (\$0.00), by four dollars (\$4.00) for each one hundred dollars (\$100),
 3 or fraction thereof, that the taxpayer's gross income exceeds the indexed
 4 amount;

5 (2) For a married couple filing jointly with one (1) or fewer
 6 dependents, the amount of the low income tax credit allowable shall be eighty
 7 percent (80%) of the income tax due upon the amount of gross income in
 8 subdivision (c)(2) of this section, indexed as provided in subsection (e) of
 9 this section, and reduced, but not below zero dollars (\$0.00), by seven
 10 dollars (\$7.00) for each one hundred dollars (\$100), or fraction thereof,
 11 that the taxpayer's gross income exceeds the indexed amount;

12 (3) For a married couple filing jointly with two (2) or more
 13 dependents, the amount of the low income tax credit allowable shall be eighty
 14 percent (80%) of the income tax due upon the amount of gross income in
 15 subdivision (c)(3) of this section, indexed as provided in subsection (e) of
 16 this section, and reduced, but not below zero dollars (\$0.00), by seven
 17 dollars (\$7.00) for each one hundred dollars (\$100), or fraction thereof,
 18 that the taxpayer's gross income exceeds the indexed amount; or

19 (4) For a head of household or qualifying widow or widower with
 20 one (1) or more dependents, the amount of the low income tax credit allowable
 21 shall be eighty percent (80%) of the income tax due upon the amount of gross
 22 income in subdivision (c)(4) of this section, indexed as provided in
 23 subsection (e) of this section, reduced, but not below zero dollars (\$0.00),
 24 by six dollars (\$6.00) for each one hundred dollars (\$100), or fraction
 25 thereof, that the taxpayer's gross income exceeds the indexed amount.

26 (g) For the purpose of determining eligibility for the low income tax
 27 credit in this section, income from all sources shall be used in determining
 28 the gross income of the taxpayer regardless of whether the income is taxable
 29 in Arkansas.

30 (h) A taxpayer is not eligible for the low income tax credit in this
 31 section if the taxpayer claims an exemption in § 26-51-306 or § 26-51-307, or
 32 if the taxpayer itemizes deductions.

33
 34 SECTION 2. Arkansas Code § 26-51-302 [Effective November 15, 1998], is
 35 repealed.

36 26-51-302. ~~Reduced tax tables. [Effective November 15, 1998.]~~

Reduced Tax Table A - Single		
Income		[Tax]
Below \$7,701		\$0
7,701	7,800	20.00
7,801	7,900	21.00
7,901	8,000	22.00
8,001	8,100	33.00
8,101	8,200	35.00
8,201	8,300	36.00
8,301	8,400	38.00
8,401	8,500	39.00
8,501	8,600	41.00
8,601	8,700	42.00
8,701	8,800	44.00
8,801	8,900	45.00
8,901	9,000	47.00
9,001	9,100	48.00
9,101	9,200	50.00
9,201	9,300	51.00
9,301	9,400	79.00
9,401	9,500	81.00
9,501	9,600	83.00
9,601	9,700	85.00
9,701	9,800	87.00
9,801	9,900	89.00
9,901	10,000	91.00
10,001	10,100	94.00
10,101	10,200	96.00
10,201	10,300	98.00
10,301	10,400	100.00
10,401	10,500	102.00
10,501	10,600	104.00
10,601	10,700	106.00
10,701	10,800	108.00
10,801	10,900	110.00
10,901	11,000	112.00

1	— 11,001 — 11,100	115.00
2	— 11,101 — 11,200	118.00
3	— 11,201 — 11,300	120.00
4	— 11,301 — 11,400	123.00
5	Above \$11,400, use Standard Tax Table.	
6	Reduced Tax Table B — Married	
7	— Income Tax	
8	— Below \$ 15,501	0
9	— 15,501 — 15,600	80.00
10	— 15,601 — 15,700	81.00
11	— 15,701 — 15,800	83.00
12	— 15,801 — 15,900	84.00
13	— 15,901 — 16,000	86.00
14	— 16,001 — 16,100	116.00
15	— 16,101 — 16,200	118.00
16	Above \$16,200, use Standard Tax Table.	
17	(C) Reduced Tax Table C	
18	Head of Household	
19	— Income	[Tax]
20	— Below \$12,000	0
21	— 12,001 — 12,100	40.00
22	— 12,101 — 12,200	42.00
23	— 12,201 — 12,300	43.00
24	— 12,301 — 12,400	44.00
25	— 12,401 — 12,500	45.00
26	— 12,501 — 12,600	46.00
27	— 12,601 — 12,700	47.00
28	— 12,701 — 12,800	48.00
29	— 12,801 — 12,900	49.00
30	— 12,901 — 13,000	50.00
31	— 13,001 — 13,100	84.00
32	— 13,101 — 13,200	85.00
33	— 13,201 — 13,300	87.00
34	— 13,301 — 13,400	88.00
35	— 13,401 — 13,500	90.00
36	— 13,501 — 13,600	91.00

1	— 13,601 — 13,700	93.00
2	— 13,701 — 13,800	94.00
3	— 13,801 — 13,900	96.00
4	— 13,901 — 14,000	97.00
5	— 14,001 — 14,100	99.00
6	— 14,101 — 14,200	100.00
7	— 14,201 — 14,300	102.00
8	— 14,301 — 14,400	103.00
9	— 14,401 — 14,500	105.00
10	— 14,501 — 14,600	106.00
11	— 14,601 — 14,700	108.00
12	— 14,701 — 14,800	109.00
13	— 14,801 — 14,900	111.00
14	— 14,901 — 15,000	112.00
15	— 15,001 — 15,100	114.00
16	— 15,101 — 15,200	115.00
17	— 15,201 — 15,300	203.00
18	— 15,301 — 15,400	205.00
19	— 15,401 — 15,500	208.00
20	— 15,501 — 15,600	210.00
21	— 15,601 — 15,700	213.00
22	— 15,701 — 15,800	215.00
23	— 15,801 — 15,900	218.00
24	— 15,901 — 16,000	220.00
25	— 16,001 — 16,100	223.00
26	— 16,101 — 16,200	225.00

27 Above \$16,200, use Standard Tax Table.

28

29 SECTION 3. This act shall apply to tax years beginning on and after
30 January 1, 2007.

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