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1	State of Arkansas	A Bill	
2	86th General Assembly	A DIII	a=11.
3	Regular Session, 2007		SENATE BILL
4	D 0 . W 1		
5	By: Senator Hendren		
6			
7		For An Act To Be Entitled	
8 9	AN ACT TO REDUCE THE INCOME TAX LIABILITY OF		
10	EVERY PERSON REQUIRED TO FILE AN ARKANSAS INCOME		
11	TAX RETURN BY THREE PERCENT (3%) FOR TAX YEARS		
12		NG IN CALENDAR YEARS 2007 AND 2008;	
13		ER PURPOSES.	
14	Tok om	in Toniobio.	
15		Subtitle	
16	TO RI	EDUCE INCOME TAX LIABILITY BY THREE	
17	PERCI	ENT (3%) FOR TAX YEARS 2007 AND	
18	2008	•	
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21	BE IT ENACTED BY THE G	GENERAL ASSEMBLY OF THE STATE OF ARK	ANSAS:
22			
23	SECTION 1. Arka	ansas Code Title 26, Chapter 51, is	amended to add an
24	additional subchapter	to read as follows:	
25	26-51-208. Inco	ome tax reduction.	
26	(a) Notwithstand	ling taxes levied by §§ 26-51-201 et	seq., 26-51-301,
27	and 26-51-302, the inc	come tax liability of every person r	equired to file an
28	Arkansas income tax re	eturn is reduced by three percent (3	<u>%).</u>
29	(b)(1) If an in	ndividual is a resident of an Arkans	as border city
30	described in § 26-52-6	601 et seq., the individual is eligi	ble for the income
31	tax reduction in subse	ection (a) of this section.	
32	(2) The r	reduction in tax liability is comput	ed on the tax
33	liability that would h	have been due had the income tax exe	mption of § 26-52-
34	601 et seq. not been a		
35		income tax exemption of § 26-52-601	_
36	apply to the income ta	ax reduction in subsection (a) of th	is section.

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1	(c) As used in this section, "tax liability" means the taxes imposed		
2	pursuant to §§ 26-51-201 et seq., 26-51-301, and 26-51-302 before the		
3	application of any tax credits.		
4	(d) This section shall apply only to tax years beginning in calendar		
5	years 2007 and 2008.		
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