

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 87th General Assembly
3 Regular Session, 2009

A Bill

SENATE BILL 11

4
5 By: Senator Altes
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For An Act To Be Entitled

8
9 AN ACT TO ESTABLISH AN INCOME TAX CREDIT FOR THE
10 EDUCATION EXPENSES OF DEPENDENTS; AND FOR OTHER
11 PURPOSES.
12

Subtitle

13
14 TO ESTABLISH AN INCOME TAX CREDIT FOR
15 EDUCATION EXPENSES OF DEPENDENTS.
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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 5 is amended
21 to add a new section to read as follows:

22 26-51-513. Dependent education expense credit.

23 (a) As used in this section, "dependent" means the same as defined in §
24 152 of the Internal Revenue Code of 1986, as in effect on January 1, 2009.

25 (b) If a taxpayer has one (1) or more dependents who are full-time
26 pupils enrolled in a kindergarten through grade twelve (K-12) education
27 program at any school, the taxpayer shall be allowed a credit against the tax
28 imposed by the Income Tax Act of 1929, § 26-51-101 et seq., with the credit
29 being calculated in accordance with subsection (c) of this section.

30 (c) If the taxpayer's expenses for tuition, book fees, and laboratory
31 fees required by the dependent's school during the tax year are:

32 (1) Less than three hundred dollars (\$300), there will be no
33 credit allowed; or

34 (2) Three hundred dollars (\$300) or more, the amount of the
35 credit shall be equal to twenty-five percent (25%) of the amount paid for
36 tuition, book fees, and laboratory fees by the taxpayer for the dependent.



1 (d)(1) The amount of the credit that may be used by the taxpayer shall
2 not exceed the amount of individual income tax liability.

3 (2) Any unused credit may be carried forward for a maximum of
4 two (2) consecutive tax years.

5 (e) The Director of the Department of Finance and Administration shall
6 promulgate rules administering this section, including without limitation the
7 filing of documentation verifying that the dependent or dependents are in a
8 qualifying school.

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10 SECTION 2. This act applies to tax years beginning on or after January
11 1, 2009.

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