

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015

A Bill

HOUSE BILL 1344

4
5 By: Representatives Sabin, Blake, V. Flowers, M. Hodges, Leding, Love, Magie, McElroy, G. McGill,
6 Richey, Tucker

For An Act To Be Entitled

9 AN ACT TO CREATE THE WORKING FAMILIES OPPORTUNITY
10 ACT; TO ALLOW AN INCOME TAX CREDIT BASED ON AN
11 INDIVIDUAL'S INCOME; TO PHASE IN AN INCOME TAX CREDIT
12 BASED ON AN INDIVIDUAL'S INCOME; AND FOR OTHER
13 PURPOSES.

Subtitle

16 TO CREATE THE WORKING FAMILIES
17 OPPORTUNITY ACT.

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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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23 SECTION 1. DO NOT CODIFY. This act shall be known and may be cited as
24 "The Working Families Opportunity Act".

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26 SECTION 2. Arkansas Code Title 26, Chapter 51, Subchapter 5, is
27 amended to add an additional section to read as follows:

28 26-51-515. Working Families Opportunity Credit.

29 (a) There is established the "Working Families Opportunity Credit",
30 which is allowed against the income tax imposed by the Income Tax Act of
31 1929, § 26-51-101 et seq., in the amount determined under subsection (b) of
32 this section for a portion of a taxpayer's income.

33 (b) The amount of the income tax credit allowed under subsection (a)
34 of this section is equal to the following percentages of the credit allowed
35 to the taxpayer under 26 U.S.C. § 32, as it existed on January 1, 2015:

36 (1) For the tax year beginning January 1, 2015, one and one-



1 fourth percent (1 1/4%);

2 (2) For the tax year beginning January 1, 2016, two and one-half
3 percent (2 1/2%); and

4 (3) For tax years beginning on and after January 1, 2017, five
5 percent (5%).

6 (c) If the amount of the income tax credit allowed under this section
7 exceeds the taxpayer's income tax liability, the excess shall be refunded to
8 the taxpayer.

9 (d) The Department of Finance and Administration shall annually notify
10 taxpayers of their potential eligibility for the income tax credit allowed
11 under this section.