

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

As Engrossed: H3/13/19

A Bill

HOUSE BILL 1721

5 By: Representative M. Gray
6

For An Act To Be Entitled

8 AN ACT TO CLARIFY THE INCOME TAX EXEMPTION FOR
9 SERVICE PAY OR ALLOWANCES RECEIVED BY ACTIVE DUTY
10 MEMBERS OF THE ARMED FORCES; AND FOR OTHER PURPOSES.
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Subtitle

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13 TO CLARIFY THE INCOME TAX EXEMPTION FOR
14 SERVICE PAY OR ALLOWANCES RECEIVED BY
15 ACTIVE DUTY MEMBERS OF THE ARMED FORCES.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 26-51-306(a)(1)(D), concerning the income
22 tax exemption for compensation and benefits from military service, is amended
23 to read as follows:

24 ~~(D)(i) For tax years beginning on or after January 1,~~
25 ~~2014, the~~ The service pay or allowance received by an active duty member of
26 the armed ~~services~~ forces is exempt from the income tax imposed under this
27 chapter.

28 ~~(ii) "Active duty member of the armed services"~~
29 ~~means all members of the armed forces, including the National Guard and~~
30 ~~Reserve units.~~

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32 SECTION 2. Arkansas Code § 26-51-306(c), concerning the income tax
33 exemption for compensation and benefits from military service, is amended to
34 read as follows:

35 (c) As used in this section, ~~"armed:~~

36 (1) "Active duty member of the armed forces" means a member s in



1 the armed forces of the United States, including without limitation full-time
2 training duty, annual training duty, and attendance while in the active
3 military service at a school designated as a service school by law or by the
4 secretary of the relevant military department;

5 (2)(A) "Armed forces" means the United States Army, United
6 States Navy, United States Air Force, United States Marine Corps, and United
7 States Coast Guard, the National Guard, and the reserve components of the
8 United States Army, United States Navy, United States Air Force, United
9 States Marine Corps, and United States Coast Guard.

10 (B) "Armed forces" does not include:

11 (i) A military technician (dual status) under 10
12 U.S.C. § 10216(a)(1), as it existed on January 1, 2019;

13 (ii) The National Oceanic and Atmospheric
14 Administration Commissioned Officer Corps; or

15 (iii) The United States Commissioned Corps of the
16 Public Health Service; and

17 (3) "Armed services" means ~~any and all members of~~ the National
18 Guard, reserve components of the armed forces, United States Army, United
19 States Navy, United States Marine Corps, United States Coast Guard, United
20 States Air Force, and ~~any and all other branches of the military and naval~~
21 ~~forces or auxiliaries~~ National Oceanic and Atmospheric Administration
22 Commissioned Officer Corps, and United States Commissioned Corps of the
23 Public Health Service.

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25 SECTION 3. EFFECTIVE DATE. Sections 1 and 2 of this act are effective
26 for tax years beginning on or after January 1, 2020.

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28 /s/M. Gray
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