

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4
5 By: Representative Jett
6

A Bill

HOUSE BILL 1032

For An Act To Be Entitled

8 AN ACT TO AMEND THE INCOME TAX EXEMPTION FOR
9 RETIREMENT AND DISABILITY BENEFITS; TO AMEND THE
10 INCOME TAX ACT OF 1929 TO ALLOW A TAXPAYER RECEIVING
11 MILITARY RETIREMENT OR SURVIVOR BENEFITS TO RECEIVE
12 THE FULL AMOUNT OF THE INCOME TAX EXEMPTION FOR
13 RETIREMENT BENEFITS; AND FOR OTHER PURPOSES.
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Subtitle

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17 TO AMEND THE INCOME TAX ACT OF 1929 TO
18 ALLOW A TAXPAYER RECEIVING MILITARY
19 RETIREMENT OR SURVIVOR BENEFITS TO
20 RECEIVE THE FULL AMOUNT OF THE INCOME TAX
21 EXEMPTION FOR RETIREMENT BENEFITS.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code § 26-51-307(f), concerning the income tax
27 exemption for retirement or disability benefits, is amended to read as
28 follows:

29 (f)(1) A Except as provided in subdivision (f)(2) of this section, a
30 taxpayer claiming an exemption under subsection (e) of this section is not
31 eligible for an exemption under subsection (a) of this section.

32 (2) A taxpayer claiming an exemption of less than six thousand
33 dollars (\$6,000) for income from military retirement or survivor benefits
34 under subsection (e) of this section may exempt retirement benefits under
35 subsection (a) of this section in an amount equal to the difference between
36 the exemption claimed under subsection (e) of this section and six thousand



1 dollars (\$6,000).

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3 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax
4 years beginning on or after January 1, 2022.

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