

Stricken language would be deleted from and underlined language would be added to present law.
Act 1408 of the Regular Session

State of Arkansas *As Engrossed: S2/28/13 S4/16/13 S4/18/13*
89th General Assembly
Regular Session, 2013

A Bill

SENATE BILL 463

By: Senators J. Hendren, Bledsoe, Bookout, Burnett, Caldwell, E. Cheatham, J. Dismang, J. English, Files, S. Flowers, Hester, Hickey, Holland, J. Hutchinson, Irvin, J. Key, B. King, B. Pierce, Rapert, D. Sanders, G. Stubblefield, E. Williams, J. Woods

By: Representatives Alexander, D. Altes, E. Armstrong, Barnett, Broadway, Copenhagen, Ferguson, Gossage, Hodges, Julian, Kizzia, Leding, D. Meeks, B. Overbey, Sabin, D. Whitaker

For An Act To Be Entitled

AN ACT TO CREATE AN EXEMPTION FROM THE INCOME TAX FOR SERVICE PAY OR ALLOWANCES RECEIVED BY ACTIVE DUTY MEMBERS OF THE ARMED SERVICES; AND FOR OTHER PURPOSES.

Subtitle

TO CREATE AN EXEMPTION FROM THE INCOME TAX FOR SERVICE PAY OR ALLOWANCES RECEIVED BY ACTIVE DUTY MEMBERS OF THE ARMED SERVICES.

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

SECTION 1. Arkansas Code § 26-51-306(a)(1), concerning the income tax treatment of compensation and benefits from military service, is amended to add an additional subdivision to read as follows:

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

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



SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax years beginning on or after January 1, 2014.

/s/J. Hendren

APPROVED: 04/22/2013