

State of Arkansas *As Engrossed: H3/28/13 H4/3/13 S4/16/13 S4/18/13*

89th General Assembly

# A Bill

Regular Session, 2013

HOUSE BILL 1966

By: Representatives Carter, *Collins*

By: *Senator J. Dismang*

## For An Act To Be Entitled

AN ACT TO AMEND THE LAWS *CONCERNING THE STANDARD  
DEDUCTION AND THE INCOME TAX ON CAPITAL GAINS*; AND  
FOR OTHER PURPOSES.

### Subtitle

*TO AMEND THE LAWS CONCERNING THE STANDARD  
DEDUCTION AND THE INCOME TAX ON CAPITAL  
GAINS.*

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

*SECTION 1. Arkansas Code § 26-51-430(b), concerning the standard deduction for purposes of the income tax, is amended to read as follows:*

*(b)(1) The standard deduction shall be:*

*(A) For the tax year beginning January 1, 2014, two thousand dollars (\$2,000) per taxpayer; and*

*(B) For tax years beginning on and after January 1, 2015, two thousand two hundred dollars (\$2,200) per taxpayer.*

*(2) In the case of a married couple, each spouse shall be entitled to claim a standard deduction of:*

*(A) For the tax year beginning January 1, 2014, two thousand dollars (\$2,000); and*

*(B) For tax years beginning on and after January 1, 2015, two thousand two hundred dollars (\$2,200).*

*SECTION 2. Arkansas Code § 26-51-815(b), concerning the computation of*



capital gains and losses, is amended to read as follows:

(b)(1) ~~If~~ Except as otherwise provided in this subsection, if a taxpayer has a net capital gain for tax years beginning on and after January 1, 1999, thirty percent (30%) of the gain ~~shall be~~ is exempt from state income tax.

(2) If a taxpayer has a net capital gain for tax years beginning on and after January 1, 2015, fifty percent (50%) of the gain is exempt from state income tax.

(3) The amount of net capital gain in excess of ten million dollars (\$10,000,000) from a gain realized on or after January 1, 2014, is exempt from the state income tax.

SECTION 3. EFFECTIVE DATE. This act is effective for tax years beginning on and after January 1, 2014.

/s/Carter

**APPROVED: 04/22/2013**