

State of Arkansas
91st General Assembly
Regular Session, 2017

As Engrossed: H3/9/17
A Bill

HOUSE BILL 1802

By: Representative Lundstrum

For An Act To Be Entitled

AN ACT TO ALLOW CONTRIBUTIONS BY AN ARKANSAS TAXPAYER TO A TAX-DEFERRED TUITION SAVINGS PROGRAM ESTABLISHED BY ANOTHER STATE TO BE DEDUCTED FROM A TAXPAYER'S INCOME TAX; AND FOR OTHER PURPOSES.

Subtitle

TO ALLOW CONTRIBUTIONS BY AN ARKANSAS TAXPAYER TO A TAX-DEFERRED TUITION SAVINGS PROGRAM ESTABLISHED BY ANOTHER STATE TO BE DEDUCTED FROM A TAXPAYER'S INCOME TAX.

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

SECTION 1. Arkansas Code § 6-84-111(b)(1) and (2), concerning tax deductions for contributions to a tuition savings account, are amended to read as follows:

(b)(1)(A) For tax years beginning on or after January 1, ~~2005~~ 2017, contributions to a tuition savings account established under this program or a tax-deferred tuition savings program established by another state under 26 U.S.C. § 529, as it existed on January 1, 2017, may be deducted from the taxpayer's adjusted gross income for the purpose of calculating Arkansas income tax under § 26-51-403(b).

(B) A taxpayer may not deduct from the taxpayer's adjusted gross income a contribution to a tax-deferred tuition savings program established by another state if the taxpayer deducted the contribution in another state or on another state's income taxes.



(2)(A) The deductible contributions for a tuition savings account established under this subchapter shall not exceed five thousand dollars (\$5,000) per taxpayer in any tax year.

(B) The deductible contributions for a tax-deferred tuition savings program established by another state under 26 U.S.C. § 529, as it existed on January 1, 2017, shall not exceed three thousand dollars (\$3,000) per taxpayer in any tax year.

(C) The deductible contributions for a tax-deferred tuition savings program established by another state under 26 U.S.C. § 529, as it existed on January 1, 2017, that is rolled over into a tuition savings account established under this subchapter shall not exceed seven thousand five hundred dollars (\$7,500) per taxpayer in the tax year in which it was rolled.

/s/Lundstrum

APPROVED: 04/04/2017