

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005

A Bill

SENATE BILL 11

4
5 By: Senator Altes

For An Act To Be Entitled

9 AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR A
10 PARENT WHO CHOOSES TO STAY AT HOME WITH HIS OR
11 HER YOUNG CHILD; TO PROVIDE FOR FAMILY
12 PRESERVATION; AND FOR OTHER PURPOSES.

Subtitle

15 TO PROVIDE AN INCOME TAX CREDIT FOR A
16 PARENT WHO CHOOSES TO STAY AT HOME WITH
17 HIS OR HER YOUNG CHILD.

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

SECTION 1. Legislative Findings.

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23 It is the intent of the General Assembly to provide families financial
24 assistance and monetary incentives to help one parent stay at home with the
25 family's children in the nuclear family atmosphere. This assistance will
26 help the citizens of Arkansas preserve their family structure and allow the
27 children to be raised without relying on outside child care or day care. The
28 General Assembly is providing a family preservation incentive of an income
29 tax credit to a taxpayer with a dependent child four (4) years of age or
30 younger. The General Assembly finds that this incentive will reduce the
31 occurrence of juvenile crime, the need for discipline in the public schools,
32 and the number of people sentenced to prisons in Arkansas by strengthening
33 the family.

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35 SECTION 2. Arkansas Code Title 26, Chapter 51, Subchapter 5 is amended
36 to add an additional section to read as follows:



1 26-51-512. Family preservation.

2 (a) A taxpayer is allowed a credit of one thousand dollars (\$1,000)
3 against the tax imposed by the Income Tax Act of 1929, § 26-51-101 et seq.,
4 if:

5 (1) The taxpayer has a dependent child who is four (4) years of
6 age or younger any time during the tax year;

7 (2) The taxpayer's spouse is not employed at any time during the
8 tax year for which the credit is claimed; and

9 (3) The taxpayer's spouse is not a full-time student enrolled in
10 a high school, college, university, or in a vocational-technical or community
11 college during the tax year.

12 (b) To qualify for the income tax credit, the taxpayer's adjusted
13 gross income, as defined by the Income Tax Act of 1929, § 26-51-101 et seq.,
14 must not exceed thirty-two thousand dollars (\$32,000) in the tax year for
15 which the credit is claimed.

16 (c) The amount of the credit that may be claimed by the taxpayer in a
17 tax year shall not exceed the amount of income tax due by the taxpayer.

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19 SECTION 3. This act shall apply to tax years beginning on or after
20 January 1, 2008.