

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 88th General Assembly
3 Regular Session, 2011

A Bill

HOUSE BILL 1056

4
5 By: Representatives Lindsey, Webb, Pierce, Patterson, Gaskill, Barnett, Tyler, J. Edwards, B. Wilkins, T.
6 Rogers, Summers, Leding, Love
7 By: Senator L. Chesterfield

For An Act To Be Entitled

8
9
10 AN ACT TO PROVIDE ADDITIONAL INCOME TAX RELIEF TO
11 HEAD OF HOUSEHOLD TAXPAYERS WITH TWO (2) OR MORE
12 DEPENDENTS; AND FOR OTHER PURPOSES.

Subtitle

13
14
15
16 TO PROVIDE ADDITIONAL INCOME TAX RELIEF
17 TO HEAD OF HOUSEHOLD TAXPAYERS WITH TWO
18 (2) OR MORE DEPENDENTS.

19
20
21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

22
23 SECTION 1. Arkansas Code § 26-51-301 is amended to read as follows:

24 26-51-301. Individuals exempt from taxation or qualifying for the low
25 income tax credit.

26 (a) As used in this section:

27 (1) "Head of household" means the same as defined in 26 U.S.C. §
28 2(b) of the Internal Revenue Code of 1986, as in effect on ~~January 1, 2007~~
29 January 1, 2011; and

30 (2) "Qualifying widow or widower" means the "surviving spouse"
31 as defined in 26 U.S.C. § 2(a) of the Internal Revenue Code of 1986, as in
32 effect on ~~January 1, 2007~~ January 1, 2011.

33 (b)(1) Beginning with tax year ~~2007~~ 2010, the following taxpayers are
34 exempt from state individual income tax:

35 ~~(1)(A)~~ (A) A single individual whose gross income ~~does not~~
36 ~~exceed ten thousand two hundred dollars (\$10,200)~~ is less than ten thousand



1 six hundred eighty-two dollars (\$10,682) for any income year;

2 ~~(2)~~(B) A married couple filing jointly with one (1) or
 3 fewer dependents whose gross income ~~does not exceed seventeen thousand two~~
 4 ~~hundred dollars (\$17,200)~~ is less than eighteen thousand twelve dollars
 5 (\$18,012) for any income year;

6 ~~(3)~~(C) A married couple filing jointly with two (2) or
 7 more dependents whose gross income ~~does not exceed twenty thousand seven~~
 8 ~~hundred dollars (\$20,700)~~ is less than twenty-one thousand six hundred
 9 seventy-seven dollars (\$21,677) for any income year; and

10 ~~(4)~~(D) A head of household or qualifying widow or widower
 11 with one (1) or more dependents whose gross income ~~does not exceed fourteen~~
 12 ~~thousand five hundred dollars (\$14,500)~~ is less than fifteen thousand one
 13 hundred eighty-five dollars (\$15,185) for any income year.

14 (2) Beginning with tax year 2011:

15 (A) A head of household or qualifying widow or widower
 16 with one (1) or fewer dependents whose gross income is less than the 2010
 17 base rate of fifteen thousand one hundred eighty-five dollars (\$15,185) plus
 18 the yearly cost-of-living adjustment provided by subsection (e) for any
 19 income year is exempt from state individual income tax; and

20 (B) A head of household or qualifying widow or widower
 21 with two (2) or more dependents whose gross income is less than the 2010 base
 22 rate of eighteen thousand one hundred one dollars (\$18,101) plus the yearly
 23 cost-of-living adjustment provided by subsection (e) for any income year is
 24 exempt from state individual income tax.

25 (c)(1) Beginning with tax year ~~2007~~ 2010, the following taxpayers are
 26 eligible for a low income tax credit:

27 ~~(1)~~(A) A single individual whose gross income for the
 28 taxable year is ~~more than ten thousand two hundred dollars (\$10,200)~~ ten
 29 thousand six hundred eighty-two dollars (\$10,682) or more but less than
 30 ~~thirteen thousand five hundred dollars (\$13,500)~~ fourteen thousand dollars
 31 (\$14,000);

32 ~~(2)~~(B) A married couple filing jointly with one (1) or
 33 fewer dependents whose gross income for the taxable year is ~~more than~~
 34 ~~seventeen thousand two hundred dollars (\$17,200)~~ eighteen thousand twelve
 35 dollars (\$18,012) or more but less than ~~twenty-one thousand four hundred~~
 36 ~~dollars (\$21,400)~~ twenty-two thousand four hundred dollars (\$22,400);

1 ~~(3)~~(C) A married couple filing jointly with two (2) or
 2 more dependents whose gross income for the taxable year is ~~more than twenty~~
 3 ~~thousand seven hundred dollars (\$20,700)~~ twenty-one thousand six hundred
 4 seventy-seven dollars (\$21,677) or more but less than ~~twenty-six thousand~~
 5 ~~seven hundred dollars (\$26,700)~~ twenty-seven thousand eight hundred dollars
 6 (\$27,800); and

7 ~~(4)~~(D) A head of household or a qualifying widow or
 8 widower with one (1) or more dependents whose gross income for the taxable
 9 year is ~~more than fourteen thousand five hundred dollars (\$14,500)~~ fifteen
 10 thousand one hundred eighty-five dollars (\$15,185) or more but less than
 11 nineteen thousand ~~dollars (\$19,000)~~ six hundred dollars (\$19,600).

12 (2) Beginning with tax year 2011:

13 (A) A head of household or a qualifying widow or widower
 14 with one (1) or fewer dependents whose gross income for the taxable year is
 15 more than the 2010 base rate of fifteen thousand one hundred eighty-five
 16 dollars (\$15,185) plus the cost-of-living adjustment provided by subsection
 17 (e) of this section but less than the 2010 base rate of nineteen thousand six
 18 hundred dollars (\$19,600) plus the cost-of-living adjustment provided by
 19 subsection (e) of this section is eligible for a low income tax credit; and

20 (B) A head of household or a qualifying widow or widower
 21 with two (2) or more dependents whose gross income for the taxable year is
 22 more than the 2010 base rate of eighteen thousand one hundred one dollars
 23 (\$18,101) plus the cost-of-living adjustment provided by subsection (e) of
 24 this section but less than the 2010 base rate of twenty-two thousand two
 25 hundred dollars (\$22,200) plus the cost-of-living adjustment provided by
 26 subsection (e) of this section is eligible for a low income tax credit.

27
 28 (d)(1) For income tax year ~~2007~~ 2010, the low income tax credit in
 29 ~~subsection (e)~~ subdivision (c)(1) of this section shall be determined in
 30 accordance with the tables below, based upon the taxpayer's filing status:

31 Single Taxpayer

| From | But Less Than | Credit Amount |
|----------|---------------|---------------|
| \$10,201 | \$10,300 | \$130 |
| \$10,301 | \$10,400 | \$126 |
| \$10,401 | \$10,500 | \$122 |
| \$10,501 | \$10,600 | \$118 |

| | | | |
|----|---------------------|---------------------|------------------|
| 1 | \$10,601 | \$10,700 | \$114 |
| 2 | \$10,701 | \$10,800 | \$110 |
| 3 | \$10,801 | \$10,900 | \$106 |
| 4 | \$10,901 | \$11,000 | \$102 |
| 5 | \$11,001 | \$11,100 | \$98 |
| 6 | \$11,101 | \$11,200 | \$94 |
| 7 | \$11,201 | \$11,300 | \$90 |
| 8 | \$11,301 | \$11,400 | \$86 |
| 9 | \$11,401 | \$11,500 | \$82 |
| 10 | \$11,501 | \$11,600 | \$78 |
| 11 | \$11,601 | \$11,700 | \$74 |
| 12 | \$11,701 | \$11,800 | \$70 |
| 13 | \$11,801 | \$11,900 | \$66 |
| 14 | \$11,901 | \$12,000 | \$62 |
| 15 | \$12,001 | \$12,100 | \$58 |
| 16 | \$12,101 | \$12,200 | \$54 |
| 17 | \$12,201 | \$12,300 | \$50 |
| 18 | \$12,301 | \$12,400 | \$46 |
| 19 | \$12,401 | \$12,500 | \$42 |
| 20 | \$12,501 | \$12,600 | \$38 |
| 21 | \$12,601 | \$12,700 | \$34 |
| 22 | \$12,701 | \$12,800 | \$30 |
| 23 | \$12,801 | \$12,900 | \$26 |
| 24 | \$12,901 | \$13,000 | \$22 |
| 25 | \$13,001 | \$13,100 | \$18 |
| 26 | \$13,101 | \$13,200 | \$14 |
| 27 | \$13,201 | \$13,300 | \$10 |
| 28 | \$13,301 | \$13,400 | \$6 |
| 29 | \$13,401 | \$13,500 | \$2 |

30

| | <u>From</u> | <u>Less Than</u> | <u>Credit</u> |
|----|------------------|------------------|---------------|
| 31 | | | |
| 32 | <u>\$ 10,682</u> | <u>\$ 10,700</u> | <u>\$ 133</u> |
| 33 | <u>\$ 10,701</u> | <u>\$ 10,800</u> | <u>\$ 129</u> |
| 34 | <u>\$ 10,801</u> | <u>\$ 10,900</u> | <u>\$ 125</u> |
| 35 | <u>\$ 10,901</u> | <u>\$ 11,000</u> | <u>\$ 121</u> |
| 36 | <u>\$ 11,001</u> | <u>\$ 11,100</u> | <u>\$ 117</u> |

| | | | |
|----|------------------|------------------|---------------|
| 1 | <u>\$ 11,101</u> | <u>\$ 11,200</u> | <u>\$ 113</u> |
| 2 | <u>\$ 11,201</u> | <u>\$ 11,300</u> | <u>\$ 109</u> |
| 3 | <u>\$ 11,301</u> | <u>\$ 11,400</u> | <u>\$ 105</u> |
| 4 | <u>\$ 11,401</u> | <u>\$ 11,500</u> | <u>\$ 101</u> |
| 5 | <u>\$ 11,501</u> | <u>\$ 11,600</u> | <u>\$ 97</u> |
| 6 | <u>\$ 11,601</u> | <u>\$ 11,700</u> | <u>\$ 93</u> |
| 7 | <u>\$ 11,701</u> | <u>\$ 11,800</u> | <u>\$ 89</u> |
| 8 | <u>\$ 11,801</u> | <u>\$ 11,900</u> | <u>\$ 85</u> |
| 9 | <u>\$ 11,901</u> | <u>\$ 12,000</u> | <u>\$ 81</u> |
| 10 | <u>\$ 12,001</u> | <u>\$ 12,100</u> | <u>\$ 77</u> |
| 11 | <u>\$ 12,101</u> | <u>\$ 12,200</u> | <u>\$ 73</u> |
| 12 | <u>\$ 12,201</u> | <u>\$ 12,300</u> | <u>\$ 69</u> |
| 13 | <u>\$ 12,301</u> | <u>\$ 12,400</u> | <u>\$ 65</u> |
| 14 | <u>\$ 12,401</u> | <u>\$ 12,500</u> | <u>\$ 61</u> |
| 15 | <u>\$ 12,501</u> | <u>\$ 12,600</u> | <u>\$ 57</u> |
| 16 | <u>\$ 12,601</u> | <u>\$ 12,700</u> | <u>\$ 53</u> |
| 17 | <u>\$ 12,701</u> | <u>\$ 12,800</u> | <u>\$ 49</u> |
| 18 | <u>\$ 12,801</u> | <u>\$ 12,900</u> | <u>\$ 45</u> |
| 19 | <u>\$ 12,901</u> | <u>\$ 13,000</u> | <u>\$ 41</u> |
| 20 | <u>\$ 13,001</u> | <u>\$ 13,100</u> | <u>\$ 37</u> |
| 21 | <u>\$ 13,101</u> | <u>\$ 13,200</u> | <u>\$ 33</u> |
| 22 | <u>\$ 13,201</u> | <u>\$ 13,300</u> | <u>\$ 29</u> |
| 23 | <u>\$ 13,301</u> | <u>\$ 13,400</u> | <u>\$ 25</u> |
| 24 | <u>\$ 13,401</u> | <u>\$ 13,500</u> | <u>\$ 21</u> |
| 25 | <u>\$ 13,501</u> | <u>\$ 13,600</u> | <u>\$ 17</u> |
| 26 | <u>\$ 13,601</u> | <u>\$ 13,700</u> | <u>\$ 13</u> |
| 27 | <u>\$ 13,701</u> | <u>\$ 13,800</u> | <u>\$ 9</u> |
| 28 | <u>\$ 13,801</u> | <u>\$ 13,900</u> | <u>\$ 5</u> |
| 29 | <u>\$ 13,901</u> | <u>\$ 14,000</u> | <u>\$ 1</u> |

30

31 Married Filing Jointly With One (1) or Fewer Dependents

32 ~~From But Less Than Credit Amount~~

33 ~~\$17,201 \$17,300 \$290~~

34 ~~\$17,301 \$17,400 \$283~~

35 ~~\$17,401 \$17,500 \$276~~

36 ~~\$17,501 \$17,600 \$269~~

| | | | |
|----|---------------------|---------------------|------------------|
| 1 | \$17,601 | \$17,700 | \$262 |
| 2 | \$17,701 | \$17,800 | \$255 |
| 3 | \$17,801 | \$17,900 | \$248 |
| 4 | \$17,901 | \$18,000 | \$241 |
| 5 | \$18,001 | \$18,100 | \$234 |
| 6 | \$18,101 | \$18,200 | \$227 |
| 7 | \$18,201 | \$18,300 | \$220 |
| 8 | \$18,301 | \$18,400 | \$213 |
| 9 | \$18,401 | \$18,500 | \$206 |
| 10 | \$18,501 | \$18,600 | \$199 |
| 11 | \$18,601 | \$18,700 | \$192 |
| 12 | \$18,701 | \$18,800 | \$185 |
| 13 | \$18,801 | \$18,900 | \$178 |
| 14 | \$18,901 | \$19,000 | \$171 |
| 15 | \$19,001 | \$19,100 | \$164 |
| 16 | \$19,101 | \$19,200 | \$157 |
| 17 | \$19,201 | \$19,300 | \$150 |
| 18 | \$19,301 | \$19,400 | \$143 |
| 19 | \$19,401 | \$19,500 | \$136 |
| 20 | \$19,501 | \$19,600 | \$129 |
| 21 | \$19,601 | \$19,700 | \$122 |
| 22 | \$19,701 | \$19,800 | \$115 |
| 23 | \$19,801 | \$19,900 | \$108 |
| 24 | \$19,901 | \$20,000 | \$101 |
| 25 | \$20,001 | \$20,100 | \$94 |
| 26 | \$20,101 | \$20,200 | \$87 |
| 27 | \$20,201 | \$20,300 | \$80 |
| 28 | \$20,301 | \$20,400 | \$73 |
| 29 | \$20,401 | \$20,500 | \$66 |
| 30 | \$20,501 | \$20,600 | \$59 |
| 31 | \$20,601 | \$20,700 | \$52 |
| 32 | \$20,701 | \$20,800 | \$45 |
| 33 | \$20,801 | \$20,900 | \$38 |
| 34 | \$20,901 | \$21,000 | \$31 |
| 35 | \$21,001 | \$21,100 | \$24 |
| 36 | \$21,101 | \$21,200 | \$17 |

1 ~~\$21,201~~ ~~\$21,300~~ ~~\$10~~

2 ~~\$21,301~~ ~~\$21,400~~ ~~\$3~~

3

| | <u>From</u> | <u>Less Than</u> | <u>Credit</u> |
|----|-----------------|------------------|---------------|
| 4 | | | |
| 5 | <u>\$18,012</u> | <u>\$ 18,100</u> | <u>\$ 302</u> |
| 6 | <u>\$18,101</u> | <u>\$ 18,200</u> | <u>\$ 295</u> |
| 7 | <u>\$18,201</u> | <u>\$ 18,300</u> | <u>\$ 288</u> |
| 8 | <u>\$18,301</u> | <u>\$ 18,400</u> | <u>\$ 281</u> |
| 9 | <u>\$18,401</u> | <u>\$ 18,500</u> | <u>\$ 274</u> |
| 10 | <u>\$18,501</u> | <u>\$ 18,600</u> | <u>\$ 267</u> |
| 11 | <u>\$18,601</u> | <u>\$ 18,700</u> | <u>\$ 260</u> |
| 12 | <u>\$18,701</u> | <u>\$ 18,800</u> | <u>\$ 253</u> |
| 13 | <u>\$18,801</u> | <u>\$ 18,900</u> | <u>\$ 246</u> |
| 14 | <u>\$18,901</u> | <u>\$ 19,000</u> | <u>\$ 239</u> |
| 15 | <u>\$19,001</u> | <u>\$ 19,100</u> | <u>\$ 232</u> |
| 16 | <u>\$19,101</u> | <u>\$ 19,200</u> | <u>\$ 225</u> |
| 17 | <u>\$19,201</u> | <u>\$ 19,300</u> | <u>\$ 218</u> |
| 18 | <u>\$19,301</u> | <u>\$ 19,400</u> | <u>\$ 211</u> |
| 19 | <u>\$19,401</u> | <u>\$ 19,500</u> | <u>\$ 204</u> |
| 20 | <u>\$19,501</u> | <u>\$ 19,600</u> | <u>\$ 197</u> |
| 21 | <u>\$19,601</u> | <u>\$ 19,700</u> | <u>\$ 190</u> |
| 22 | <u>\$19,701</u> | <u>\$ 19,800</u> | <u>\$ 183</u> |
| 23 | <u>\$19,801</u> | <u>\$ 19,900</u> | <u>\$ 176</u> |
| 24 | <u>\$19,901</u> | <u>\$ 20,000</u> | <u>\$ 169</u> |
| 25 | <u>\$20,001</u> | <u>\$ 20,100</u> | <u>\$ 162</u> |
| 26 | <u>\$20,101</u> | <u>\$ 20,200</u> | <u>\$ 155</u> |
| 27 | <u>\$20,201</u> | <u>\$ 20,300</u> | <u>\$ 148</u> |
| 28 | <u>\$20,301</u> | <u>\$ 20,400</u> | <u>\$ 141</u> |
| 29 | <u>\$20,401</u> | <u>\$ 20,500</u> | <u>\$ 134</u> |
| 30 | <u>\$20,501</u> | <u>\$ 20,600</u> | <u>\$ 127</u> |
| 31 | <u>\$20,601</u> | <u>\$ 20,700</u> | <u>\$ 120</u> |
| 32 | <u>\$20,701</u> | <u>\$ 20,800</u> | <u>\$ 113</u> |
| 33 | <u>\$20,801</u> | <u>\$ 20,900</u> | <u>\$ 106</u> |
| 34 | <u>\$20,901</u> | <u>\$ 21,000</u> | <u>\$ 99</u> |
| 35 | <u>\$21,001</u> | <u>\$ 21,100</u> | <u>\$ 92</u> |
| 36 | <u>\$21,101</u> | <u>\$ 21,200</u> | <u>\$ 85</u> |

| | | | |
|----|-----------------|------------------|--------------|
| 1 | <u>\$21,201</u> | <u>\$ 21,300</u> | <u>\$ 78</u> |
| 2 | <u>\$21,301</u> | <u>\$ 21,400</u> | <u>\$ 71</u> |
| 3 | <u>\$21,401</u> | <u>\$ 21,500</u> | <u>\$ 64</u> |
| 4 | <u>\$21,501</u> | <u>\$ 21,600</u> | <u>\$ 57</u> |
| 5 | <u>\$21,601</u> | <u>\$ 21,700</u> | <u>\$ 50</u> |
| 6 | <u>\$21,701</u> | <u>\$ 21,800</u> | <u>\$ 43</u> |
| 7 | <u>\$21,801</u> | <u>\$ 21,900</u> | <u>\$ 36</u> |
| 8 | <u>\$21,901</u> | <u>\$ 22,000</u> | <u>\$ 29</u> |
| 9 | <u>\$22,001</u> | <u>\$ 22,100</u> | <u>\$ 22</u> |
| 10 | <u>\$22,101</u> | <u>\$ 22,200</u> | <u>\$ 15</u> |
| 11 | <u>\$22,201</u> | <u>\$ 22,300</u> | <u>\$ 8</u> |
| 12 | <u>\$22,301</u> | <u>\$ 22,400</u> | <u>\$ 1</u> |

13

14 Married Filing Jointly With Two (2) or More Dependents

15 ~~From But Less Than Credit Amount~~

| | | | |
|----|---------------------|---------------------|------------------|
| 16 | \$20,701 | \$20,800 | \$416 |
| 17 | \$20,801 | \$20,900 | \$409 |
| 18 | \$20,901 | \$21,000 | \$402 |
| 19 | \$21,001 | \$21,100 | \$395 |
| 20 | \$21,101 | \$21,200 | \$388 |
| 21 | \$21,201 | \$21,300 | \$381 |
| 22 | \$21,301 | \$21,400 | \$374 |
| 23 | \$21,401 | \$21,500 | \$367 |
| 24 | \$21,501 | \$21,600 | \$360 |
| 25 | \$21,601 | \$21,700 | \$353 |
| 26 | \$21,701 | \$21,800 | \$346 |
| 27 | \$21,801 | \$21,900 | \$339 |
| 28 | \$21,901 | \$22,000 | \$332 |
| 29 | \$22,001 | \$22,100 | \$325 |
| 30 | \$22,101 | \$22,200 | \$318 |
| 31 | \$22,201 | \$22,300 | \$311 |
| 32 | \$22,301 | \$22,400 | \$304 |
| 33 | \$22,401 | \$22,500 | \$297 |
| 34 | \$22,501 | \$22,600 | \$290 |
| 35 | \$22,601 | \$22,700 | \$283 |
| 36 | \$22,701 | \$22,800 | \$276 |

| | | | |
|----|---------------------|---------------------|------------------|
| 1 | \$22,801 | \$22,900 | \$269 |
| 2 | \$22,901 | \$23,000 | \$262 |
| 3 | \$23,001 | \$23,100 | \$255 |
| 4 | \$23,101 | \$23,200 | \$248 |
| 5 | \$23,201 | \$23,300 | \$241 |
| 6 | \$23,301 | \$23,400 | \$234 |
| 7 | \$23,401 | \$23,500 | \$227 |
| 8 | \$23,501 | \$23,600 | \$220 |
| 9 | \$23,601 | \$23,700 | \$213 |
| 10 | \$23,701 | \$23,800 | \$206 |
| 11 | \$23,801 | \$23,900 | \$199 |
| 12 | \$23,901 | \$24,000 | \$192 |
| 13 | \$24,001 | \$24,100 | \$185 |
| 14 | \$24,101 | \$24,200 | \$178 |
| 15 | \$24,201 | \$24,300 | \$171 |
| 16 | \$24,301 | \$24,400 | \$164 |
| 17 | \$24,401 | \$24,500 | \$157 |
| 18 | \$24,501 | \$24,600 | \$150 |
| 19 | \$24,601 | \$24,700 | \$143 |
| 20 | \$24,701 | \$24,800 | \$136 |
| 21 | \$24,801 | \$24,900 | \$129 |
| 22 | \$24,901 | \$25,000 | \$122 |
| 23 | \$25,001 | \$25,100 | \$115 |
| 24 | \$25,101 | \$25,200 | \$108 |
| 25 | \$25,201 | \$25,300 | \$101 |
| 26 | \$25,301 | \$25,400 | \$94 |
| 27 | \$25,401 | \$25,500 | \$87 |
| 28 | \$25,501 | \$25,600 | \$80 |
| 29 | \$25,601 | \$25,700 | \$73 |
| 30 | \$25,701 | \$25,800 | \$66 |
| 31 | \$25,801 | \$25,900 | \$59 |
| 32 | \$25,901 | \$26,000 | \$52 |
| 33 | \$26,001 | \$26,100 | \$45 |
| 34 | \$26,101 | \$26,200 | \$38 |
| 35 | \$26,201 | \$26,300 | \$31 |
| 36 | \$26,301 | \$26,400 | \$24 |

1 \$26,401 ——— \$26,500 ——— \$17 ———

2 \$26,501 ——— \$26,600 ——— \$10 ———

3 \$26,601 ——— \$26,700 ——— \$3 ———

4

5 From Less Than Credit

6 \$21,677 \$ 21,700 \$ 432

7 \$21,701 \$ 21,800 \$ 425

8 \$21,801 \$ 21,900 \$ 418

9 \$21,901 \$ 22,000 \$ 411

10 \$22,001 \$ 22,100 \$ 404

11 \$22,101 \$ 22,200 \$ 397

12 \$22,201 \$ 22,300 \$ 390

13 \$22,301 \$ 22,400 \$ 383

14 \$22,401 \$ 22,500 \$ 376

15 \$22,501 \$ 22,600 \$ 369

16 \$22,601 \$ 22,700 \$ 362

17 \$22,701 \$ 22,800 \$ 355

18 \$22,801 \$ 22,900 \$ 348

19 \$22,901 \$ 23,000 \$ 341

20 \$23,001 \$ 23,100 \$ 334

21 \$23,101 \$ 23,200 \$ 327

22 \$23,201 \$ 23,300 \$ 320

23 \$23,301 \$ 23,400 \$ 313

24 \$23,401 \$ 23,500 \$ 306

25 \$23,501 \$ 23,600 \$ 299

26 \$23,601 \$ 23,700 \$ 292

27 \$23,701 \$ 23,800 \$ 285

28 \$23,801 \$ 23,900 \$ 278

29 \$23,901 \$ 24,000 \$ 271

30 \$24,001 \$ 24,100 \$ 264

31 \$24,101 \$ 24,200 \$ 257

32 \$24,201 \$ 24,300 \$ 250

33 \$24,301 \$ 24,400 \$ 243

34 \$24,401 \$ 24,500 \$ 236

35 \$24,501 \$ 24,600 \$ 229

36 \$24,601 \$ 24,700 \$ 222

| | | | |
|----|-----------------|------------------|---------------|
| 1 | <u>\$24,701</u> | <u>\$ 24,800</u> | <u>\$ 215</u> |
| 2 | <u>\$24,801</u> | <u>\$ 24,900</u> | <u>\$ 208</u> |
| 3 | <u>\$24,901</u> | <u>\$ 25,000</u> | <u>\$ 201</u> |
| 4 | <u>\$25,001</u> | <u>\$ 25,100</u> | <u>\$ 194</u> |
| 5 | <u>\$25,101</u> | <u>\$ 25,200</u> | <u>\$ 187</u> |
| 6 | <u>\$25,201</u> | <u>\$ 25,300</u> | <u>\$ 180</u> |
| 7 | <u>\$25,301</u> | <u>\$ 25,400</u> | <u>\$ 173</u> |
| 8 | <u>\$25,401</u> | <u>\$ 25,500</u> | <u>\$ 166</u> |
| 9 | <u>\$25,501</u> | <u>\$ 25,600</u> | <u>\$ 159</u> |
| 10 | <u>\$25,601</u> | <u>\$ 25,700</u> | <u>\$ 152</u> |
| 11 | <u>\$25,701</u> | <u>\$ 25,800</u> | <u>\$ 145</u> |
| 12 | <u>\$25,801</u> | <u>\$ 25,900</u> | <u>\$ 138</u> |
| 13 | <u>\$25,901</u> | <u>\$ 26,000</u> | <u>\$ 131</u> |
| 14 | <u>\$26,001</u> | <u>\$ 26,100</u> | <u>\$ 124</u> |
| 15 | <u>\$26,101</u> | <u>\$ 26,200</u> | <u>\$ 117</u> |
| 16 | <u>\$26,201</u> | <u>\$ 26,300</u> | <u>\$ 110</u> |
| 17 | <u>\$26,301</u> | <u>\$ 26,400</u> | <u>\$ 103</u> |
| 18 | <u>\$26,401</u> | <u>\$ 26,500</u> | <u>\$ 96</u> |
| 19 | <u>\$26,501</u> | <u>\$ 26,600</u> | <u>\$ 89</u> |
| 20 | <u>\$26,601</u> | <u>\$ 26,700</u> | <u>\$ 82</u> |
| 21 | <u>\$26,701</u> | <u>\$ 26,800</u> | <u>\$ 75</u> |
| 22 | <u>\$26,801</u> | <u>\$ 26,900</u> | <u>\$ 68</u> |
| 23 | <u>\$26,901</u> | <u>\$ 27,000</u> | <u>\$ 61</u> |
| 24 | <u>\$27,001</u> | <u>\$ 27,100</u> | <u>\$ 54</u> |
| 25 | <u>\$27,101</u> | <u>\$ 27,200</u> | <u>\$ 47</u> |
| 26 | <u>\$27,201</u> | <u>\$ 27,300</u> | <u>\$ 40</u> |
| 27 | <u>\$27,301</u> | <u>\$ 27,400</u> | <u>\$ 33</u> |
| 28 | <u>\$27,401</u> | <u>\$ 27,500</u> | <u>\$ 26</u> |
| 29 | <u>\$27,501</u> | <u>\$ 27,600</u> | <u>\$ 19</u> |
| 30 | <u>\$27,601</u> | <u>\$ 27,700</u> | <u>\$ 12</u> |
| 31 | <u>\$27,701</u> | <u>\$ 27,800</u> | <u>\$ 5</u> |

32

33 Head of Household/Qualifying Widow or Widower With One (1) or More Dependents
 34 for Tax Year 2010 and with One (1) or Fewer Dependents Beginning with Tax
 35 Year 2011
 36 From But Less Than Credit Amount

| | | | |
|----|---------------------|---------------------|------------------|
| 1 | \$14,501 | \$14,600 | \$265 |
| 2 | \$14,601 | \$14,700 | \$259 |
| 3 | \$14,701 | \$14,800 | \$253 |
| 4 | \$14,801 | \$14,900 | \$247 |
| 5 | \$14,901 | \$15,000 | \$241 |
| 6 | \$15,001 | \$15,100 | \$235 |
| 7 | \$15,101 | \$15,200 | \$229 |
| 8 | \$15,201 | \$15,300 | \$223 |
| 9 | \$15,301 | \$15,400 | \$217 |
| 10 | \$15,401 | \$15,500 | \$211 |
| 11 | \$15,501 | \$15,600 | \$205 |
| 12 | \$15,601 | \$15,700 | \$199 |
| 13 | \$15,701 | \$15,800 | \$193 |
| 14 | \$15,801 | \$15,900 | \$187 |
| 15 | \$15,901 | \$16,000 | \$181 |
| 16 | \$16,001 | \$16,100 | \$175 |
| 17 | \$16,101 | \$16,200 | \$169 |
| 18 | \$16,201 | \$16,300 | \$163 |
| 19 | \$16,301 | \$16,400 | \$157 |
| 20 | \$16,401 | \$16,500 | \$151 |
| 21 | \$16,501 | \$16,600 | \$145 |
| 22 | \$16,601 | \$16,700 | \$139 |
| 23 | \$16,701 | \$16,800 | \$133 |
| 24 | \$16,801 | \$16,900 | \$127 |
| 25 | \$16,901 | \$17,000 | \$121 |
| 26 | \$17,001 | \$17,100 | \$115 |
| 27 | \$17,101 | \$17,200 | \$109 |
| 28 | \$17,201 | \$17,300 | \$103 |
| 29 | \$17,301 | \$17,400 | \$97 |
| 30 | \$17,401 | \$17,500 | \$91 |
| 31 | \$17,501 | \$17,600 | \$85 |
| 32 | \$17,601 | \$17,700 | \$79 |
| 33 | \$17,701 | \$17,800 | \$73 |
| 34 | \$17,801 | \$17,900 | \$67 |
| 35 | \$17,901 | \$18,000 | \$61 |
| 36 | \$18,001 | \$18,100 | \$55 |

| | | | |
|---|---------------------|---------------------|-----------------|
| 1 | \$18,101 | \$18,200 | \$49 |
| 2 | \$18,201 | \$18,300 | \$43 |
| 3 | \$18,301 | \$18,400 | \$37 |
| 4 | \$18,401 | \$18,500 | \$31 |
| 5 | \$18,501 | \$18,600 | \$25 |
| 6 | \$18,601 | \$18,700 | \$19 |
| 7 | \$18,701 | \$18,800 | \$13 |
| 8 | \$18,801 | \$18,900 | \$7 |
| 9 | \$18,901 | \$19,000 | \$1 |

10

| | <u>From</u> | <u>Less Than</u> | <u>Credit</u> |
|----|-----------------|------------------|---------------|
| 11 | | | |
| 12 | <u>\$15,185</u> | <u>\$ 15,200</u> | <u>\$ 270</u> |
| 13 | <u>\$15,201</u> | <u>\$ 15,300</u> | <u>\$ 264</u> |
| 14 | <u>\$15,301</u> | <u>\$ 15,400</u> | <u>\$ 258</u> |
| 15 | <u>\$15,401</u> | <u>\$ 15,500</u> | <u>\$ 252</u> |
| 16 | <u>\$15,501</u> | <u>\$ 15,600</u> | <u>\$ 246</u> |
| 17 | <u>\$15,601</u> | <u>\$ 15,700</u> | <u>\$ 240</u> |
| 18 | <u>\$15,701</u> | <u>\$ 15,800</u> | <u>\$ 234</u> |
| 19 | <u>\$15,801</u> | <u>\$ 15,900</u> | <u>\$ 228</u> |
| 20 | <u>\$15,901</u> | <u>\$ 16,000</u> | <u>\$ 222</u> |
| 21 | <u>\$16,001</u> | <u>\$ 16,100</u> | <u>\$ 216</u> |
| 22 | <u>\$16,101</u> | <u>\$ 16,200</u> | <u>\$ 210</u> |
| 23 | <u>\$16,201</u> | <u>\$ 16,300</u> | <u>\$ 204</u> |
| 24 | <u>\$16,301</u> | <u>\$ 16,400</u> | <u>\$ 198</u> |
| 25 | <u>\$16,401</u> | <u>\$ 16,500</u> | <u>\$ 192</u> |
| 26 | <u>\$16,501</u> | <u>\$ 16,600</u> | <u>\$ 186</u> |
| 27 | <u>\$16,601</u> | <u>\$ 16,700</u> | <u>\$ 180</u> |
| 28 | <u>\$16,701</u> | <u>\$ 16,800</u> | <u>\$ 174</u> |
| 29 | <u>\$16,801</u> | <u>\$ 16,900</u> | <u>\$ 168</u> |
| 30 | <u>\$16,901</u> | <u>\$ 17,000</u> | <u>\$ 162</u> |
| 31 | <u>\$17,001</u> | <u>\$ 17,100</u> | <u>\$ 156</u> |
| 32 | <u>\$17,101</u> | <u>\$ 17,200</u> | <u>\$ 150</u> |
| 33 | <u>\$17,201</u> | <u>\$ 17,300</u> | <u>\$ 144</u> |
| 34 | <u>\$17,301</u> | <u>\$ 17,400</u> | <u>\$ 138</u> |
| 35 | <u>\$17,401</u> | <u>\$ 17,500</u> | <u>\$ 132</u> |
| 36 | <u>\$17,501</u> | <u>\$ 17,600</u> | <u>\$ 126</u> |

| | | | |
|----|-----------------|------------------|---------------|
| 1 | <u>\$17,601</u> | <u>\$ 17,700</u> | <u>\$ 120</u> |
| 2 | <u>\$17,701</u> | <u>\$ 17,800</u> | <u>\$ 114</u> |
| 3 | <u>\$17,801</u> | <u>\$ 17,900</u> | <u>\$ 108</u> |
| 4 | <u>\$17,901</u> | <u>\$ 18,000</u> | <u>\$ 102</u> |
| 5 | <u>\$18,001</u> | <u>\$ 18,100</u> | <u>\$ 96</u> |
| 6 | <u>\$18,101</u> | <u>\$ 18,200</u> | <u>\$ 90</u> |
| 7 | <u>\$18,201</u> | <u>\$ 18,300</u> | <u>\$ 84</u> |
| 8 | <u>\$18,301</u> | <u>\$ 18,400</u> | <u>\$ 78</u> |
| 9 | <u>\$18,401</u> | <u>\$ 18,500</u> | <u>\$ 72</u> |
| 10 | <u>\$18,501</u> | <u>\$ 18,600</u> | <u>\$ 66</u> |
| 11 | <u>\$18,601</u> | <u>\$ 18,700</u> | <u>\$ 60</u> |
| 12 | <u>\$18,701</u> | <u>\$ 18,800</u> | <u>\$ 54</u> |
| 13 | <u>\$18,801</u> | <u>\$ 18,900</u> | <u>\$ 48</u> |
| 14 | <u>\$18,901</u> | <u>\$ 19,000</u> | <u>\$ 42</u> |
| 15 | <u>\$19,001</u> | <u>\$ 19,100</u> | <u>\$ 36</u> |
| 16 | <u>\$19,101</u> | <u>\$ 19,200</u> | <u>\$ 30</u> |
| 17 | <u>\$19,201</u> | <u>\$ 19,300</u> | <u>\$ 24</u> |
| 18 | <u>\$19,301</u> | <u>\$ 19,400</u> | <u>\$ 18</u> |
| 19 | <u>\$19,401</u> | <u>\$ 19,500</u> | <u>\$ 12</u> |
| 20 | <u>\$19,501</u> | <u>\$ 19,600</u> | <u>\$ 6</u> |

21

22 (2) For income tax year 2011, the low income tax credit in
 23 subdivision (c)(2)(B) of this section shall be determined using the 2010
 24 base-year table below and adding the yearly cost-of-living adjustment
 25 provided in subsection (e) of this section:
 26 Head of Household/Qualifying Widow or Widower With Two (2) or More Dependents

27

| | <u>From</u> | <u>Less Than</u> | <u>Credit</u> |
|----|-----------------|------------------|---------------|
| 28 | | | |
| 29 | <u>\$18,101</u> | <u>\$ 18,200</u> | <u>\$ 365</u> |
| 30 | <u>\$18,201</u> | <u>\$ 18,300</u> | <u>\$ 356</u> |
| 31 | <u>\$18,301</u> | <u>\$ 18,400</u> | <u>\$ 347</u> |
| 32 | <u>\$18,401</u> | <u>\$ 18,500</u> | <u>\$ 338</u> |
| 33 | <u>\$18,501</u> | <u>\$ 18,600</u> | <u>\$ 329</u> |
| 34 | <u>\$18,601</u> | <u>\$ 18,700</u> | <u>\$ 320</u> |
| 35 | <u>\$18,701</u> | <u>\$ 18,800</u> | <u>\$ 311</u> |
| 36 | <u>\$18,801</u> | <u>\$ 18,900</u> | <u>\$ 302</u> |

| | | | |
|----|-----------------|------------------|---------------|
| 1 | <u>\$18,901</u> | <u>\$ 19,000</u> | <u>\$ 293</u> |
| 2 | <u>\$19,001</u> | <u>\$ 19,100</u> | <u>\$ 284</u> |
| 3 | <u>\$19,101</u> | <u>\$ 19,200</u> | <u>\$ 275</u> |
| 4 | <u>\$19,201</u> | <u>\$ 19,300</u> | <u>\$ 266</u> |
| 5 | <u>\$19,301</u> | <u>\$ 19,400</u> | <u>\$ 257</u> |
| 6 | <u>\$19,401</u> | <u>\$ 19,500</u> | <u>\$ 248</u> |
| 7 | <u>\$19,501</u> | <u>\$ 19,600</u> | <u>\$ 239</u> |
| 8 | <u>\$19,601</u> | <u>\$ 19,700</u> | <u>\$ 230</u> |
| 9 | <u>\$19,701</u> | <u>\$ 19,800</u> | <u>\$ 221</u> |
| 10 | <u>\$19,801</u> | <u>\$ 19,900</u> | <u>\$ 212</u> |
| 11 | <u>\$19,901</u> | <u>\$ 20,000</u> | <u>\$ 203</u> |
| 12 | <u>\$20,001</u> | <u>\$ 20,100</u> | <u>\$ 194</u> |
| 13 | <u>\$20,101</u> | <u>\$ 20,200</u> | <u>\$ 185</u> |
| 14 | <u>\$20,201</u> | <u>\$ 20,300</u> | <u>\$ 176</u> |
| 15 | <u>\$20,301</u> | <u>\$ 20,400</u> | <u>\$ 167</u> |
| 16 | <u>\$20,401</u> | <u>\$ 20,500</u> | <u>\$ 158</u> |
| 17 | <u>\$20,501</u> | <u>\$ 20,600</u> | <u>\$ 149</u> |
| 18 | <u>\$20,601</u> | <u>\$ 20,700</u> | <u>\$ 140</u> |
| 19 | <u>\$20,701</u> | <u>\$ 20,800</u> | <u>\$ 131</u> |
| 20 | <u>\$20,801</u> | <u>\$ 20,900</u> | <u>\$ 122</u> |
| 21 | <u>\$20,901</u> | <u>\$ 21,000</u> | <u>\$ 113</u> |
| 22 | <u>\$21,001</u> | <u>\$ 21,100</u> | <u>\$ 104</u> |
| 23 | <u>\$21,101</u> | <u>\$ 21,200</u> | <u>\$ 95</u> |
| 24 | <u>\$21,201</u> | <u>\$ 21,300</u> | <u>\$ 86</u> |
| 25 | <u>\$21,301</u> | <u>\$ 21,400</u> | <u>\$ 77</u> |
| 26 | <u>\$21,401</u> | <u>\$ 21,500</u> | <u>\$ 68</u> |
| 27 | <u>\$21,501</u> | <u>\$ 21,600</u> | <u>\$ 59</u> |
| 28 | <u>\$21,601</u> | <u>\$ 21,700</u> | <u>\$ 50</u> |
| 29 | <u>\$21,701</u> | <u>\$ 21,800</u> | <u>\$ 41</u> |
| 30 | <u>\$21,801</u> | <u>\$ 21,900</u> | <u>\$ 32</u> |
| 31 | <u>\$21,901</u> | <u>\$ 22,000</u> | <u>\$ 23</u> |
| 32 | <u>\$22,001</u> | <u>\$ 22,100</u> | <u>\$ 14</u> |
| 33 | <u>\$22,101</u> | <u>\$ 22,200</u> | <u>\$ 5</u> |

34

35 (e)(1) For tax years beginning on or after January 1, ~~2008~~ 2010, for
 36 purposes of determining the exemptions from income tax in subsection (b) of

1 this section and determining eligibility for the low income tax credit in
2 this section, the gross income amounts in subsections (b) and (c) of this
3 section shall be adjusted annually by the cost-of-living adjustment for the
4 current calendar year, rounded to the nearest whole dollar.

5 (2) For purposes of this subsection, the cost-of-living
6 adjustment for any calendar year is the percentage, if any, not to exceed
7 three percent (3%) by which the Consumer Price Index for the current calendar
8 year exceeds the Consumer Price Index for the preceding calendar year.

9 (3) The Consumer Price Index for any calendar year is the
10 average of the Consumer Price Index as of the close of the twelve-month
11 period ending on August 31 of that calendar year.

12 (4) As used in this subsection, "Consumer Price Index" means the
13 last Consumer Price Index for All Urban Consumers published by the United
14 States Department of Labor.

15 (f) For tax years beginning on or after January 1, ~~2008~~ 2010,
16 following the cost-of-living adjustment for the Consumer Price Index as
17 provided in subsection (e) of this section, the low income tax credit in this
18 section and the gross income limitations outlined in the tables in subsection
19 (d) of this section shall be adjusted annually using the following method:

20 (1) For a single individual, the amount of the low income tax
21 credit allowable shall be eighty percent (80%) of the income tax due upon the
22 amount of gross income in subdivision ~~(e)(1)(c)(1)(A)~~ of this section,
23 indexed as provided in subsection (e) of this section, and reduced, but not
24 below zero dollars (\$0.00), by four dollars (\$4.00) for each one hundred
25 dollars (\$100), or fraction thereof, that the taxpayer's gross income exceeds
26 the indexed amount;

27 (2) For a married couple filing jointly with one (1) or fewer
28 dependents, the amount of the low income tax credit allowable shall be eighty
29 percent (80%) of the income tax due upon the amount of gross income in
30 subdivision ~~(e)(2)(c)(1)(B)~~ of this section, indexed as provided in
31 subsection (e) of this section, and reduced, but not below zero dollars
32 (\$0.00), by seven dollars (\$7.00) for each one hundred dollars (\$100), or
33 fraction thereof, that the taxpayer's gross income exceeds the indexed
34 amount;

35 (3) For a married couple filing jointly with two (2) or more
36 dependents, the amount of the low income tax credit allowable shall be eighty

1 percent (80%) of the income tax due upon the amount of gross income in
 2 subdivision ~~(e)(3)(c)(1)(C)~~ of this section, indexed as provided in
 3 subsection (e) of this section, and reduced, but not below zero dollars
 4 (\$0.00), by seven dollars (\$7.00) for each one hundred dollars (\$100), or
 5 fraction thereof, that the taxpayer's gross income exceeds the indexed
 6 amount; ~~or~~

7 (4) For a head of household or qualifying widow or widower with
 8 one (1) or more dependents, the amount of the low income tax credit allowable
 9 shall be eighty percent (80%) of the income tax due upon the amount of gross
 10 income in subdivision ~~(e)(4)(c)(1)(D)~~ of this section, indexed as provided in
 11 subsection (e) of this section, reduced, but not below zero dollars (\$0.00),
 12 by six dollars (\$6.00) for each one hundred dollars (\$100), or fraction
 13 thereof, that the taxpayer's gross income exceeds the indexed amount; or

14 (5) Beginning with tax year 2011:

15 (A) For a head of household or qualifying widow or widower
 16 with one (1) or fewer dependents, the amount of the low income tax credit
 17 allowable shall be eighty percent (80%) of the income tax due upon the amount
 18 of gross income in subdivision (c)(2)(A) of this section, indexed as provided
 19 in subsection (e) of this section, reduced, but not below zero dollars
 20 (\$0.00), by six dollars (\$6.00) for each one hundred dollars (\$100), or
 21 fraction thereof, that the taxpayer's gross income exceeds the indexed
 22 amount; or

23 (B) For a head of household or qualifying widow or widower
 24 with two (2) or more dependents, the amount of the low income tax credit
 25 allowable shall be eighty percent (80%) of the income tax due upon the amount
 26 of gross income in subdivision (c)(2)(B) of this section, indexed as provided
 27 in subsection (e) of this section, reduced, but not below zero dollars
 28 (\$0.00), by nine dollars (\$9.00) for each one hundred dollars (\$100), or
 29 fraction thereof, that the taxpayer's gross income exceeds the indexed
 30 amount.

31 (g) For the purpose of determining eligibility for the low income tax
 32 credit in this section, income from all sources shall be used in determining
 33 the gross income of the taxpayer regardless of whether the income is taxable
 34 in Arkansas.

35 (h) A taxpayer is not eligible for the low income tax credit in this
 36 section if the taxpayer claims an exemption in § 26-51-306 or § 26-51-307, or

1 if the taxpayer itemizes deductions.

2

3 SECTION 2. This act is effective for tax years beginning on or after
4 January 1, 2011.

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