

State of Arkansas
94th General Assembly
Regular Session, 2023

A Bill

HOUSE BILL 1097

By: Representative Ray

For An Act To Be Entitled

AN ACT TO AMEND THE STATE INCOME TAX; TO REDUCE THE TOP MARGINAL TAX RATE FOR INDIVIDUAL TAXPAYERS; AND FOR OTHER PURPOSES.

Subtitle

TO REDUCE THE TOP MARGINAL TAX RATE FOR INDIVIDUAL TAXPAYERS.

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

SECTION 1. Arkansas Code § 26-51-201(a)(1)(A) and (B), concerning the levy of the individual income tax, is amended to read as follows:

(1)(A) Every resident, individual, trust, or estate having net income less than or equal to eighty-four thousand five hundred dollars (\$84,500) shall determine the amount of income tax due under this subsection in accordance with the table set forth below:

From	Less than or Equal To	Rate
\$0	\$4,999	0%
\$5,000	\$9,999	2%
\$10,000	\$14,299	3%
\$14,300	\$23,599	3.4%
\$23,600	\$84,500	4.9% <u>4.5%</u>

(B) Every resident, individual, trust, or estate having net income greater than eighty-four thousand five hundred dollars (\$84,500) shall determine the amount of income tax due under this subsection in accordance with the table set forth below:



From	Less than or Equal To	Rate
\$0	\$4,300	2%
\$4,301	\$8,500	4%
\$8,501 and above		4.9% <u>4.5%</u>

SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax years beginning on or after January 1, 2023.

SECTION 3. DO NOT CODIFY. TEMPORARY LANGUAGE.
Sections 1 and 2 of this act do not affect a taxpayer's obligations under § 26-51-201 that arose before January 1, 2023.