

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
94th General Assembly
Regular Session, 2023

A Bill

HOUSE BILL 1116

By: Representatives Cavanaugh, Vaught

For An Act To Be Entitled

AN ACT TO AMEND THE STATE INCOME TAX LAWS; TO CREATE AN INCOME TAX CREDIT FOR TAXPAYERS SIXTY-FIVE (65) AND OLDER IN AN AMOUNT EQUAL TO THE TAXPAYER'S PROPERTY TAX PAYMENT ON A HOMESTEAD; AND FOR OTHER PURPOSES.

Subtitle

TO CREATE AN INCOME TAX CREDIT FOR TAXPAYERS SIXTY-FIVE (65) AND OLDER IN AN AMOUNT EQUAL TO THE TAXPAYER'S PROPERTY TAX PAYMENT ON A HOMESTEAD.

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

SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 5, is amended to add an additional section to read as follows:

26-51-517. Tax credit for property tax payment on a homestead.

(a) An individual taxpayer who is at least sixty-five (65) years of age in the calendar year he or she applies for the credit in this section is allowed an income tax credit against the income tax imposed by this chapter in an amount stated under subsection (b) of this section.

(b) The amount of the income tax credit under subsection (a) of this section is equal to the amount of real property tax paid in the prior calendar year on the individual's homestead minus any amount paid for past due property tax or penalties on past due property tax.

(c) If the amount of the income tax credit allowed under this section exceeds the taxpayer's income tax liability, the excess shall be refunded to



the taxpayer.

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