

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

State of Arkansas
95th General Assembly
Regular Session, 2025

A Bill

HOUSE BILL 1501

By: Representative Beaty Jr.

By: Senator Gilmore

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE INCOME TAX DEDUCTION ALLOWED REGARDING DEPRECIATION AND THE EXPENSING OF PROPERTY; TO ADOPT FEDERAL INCOME TAX LAW REGARDING DEPRECIATION AND THE EXPENSING OF PROPERTY; TO INCREASE THE AMOUNT ALLOWED FOR THE EXPENSING OF CERTAIN DEPRECIABLE BUSINESS ASSETS UNDER THE STATE INCOME TAX LAW TO THE AMOUNT ALLOWED UNDER THE FEDERAL INCOME TAX LAWS; AND FOR OTHER PURPOSES.

Subtitle

TO ADOPT FEDERAL INCOME TAX LAW REGARDING DEPRECIATION AND THE EXPENSING OF PROPERTY; AND TO INCREASE THE AMOUNT ALLOWED FOR THE EXPENSING OF CERTAIN DEPRECIABLE BUSINESS ASSETS TO THE AMOUNT ALLOWED UNDER FEDERAL LAW.

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

SECTION 1. Arkansas Code § 26-51-428(a), concerning the income tax deduction for depreciation and expensing of property, is amended to read as follows:

(a)(1) Title 26 U.S.C. §§ 167 and 168(a)-(j), as in effect on January 1, 2019, are adopted for the purpose of computing Arkansas income tax liability for property purchased in tax years beginning on or after January 1, 2014.



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(2) Title 26 U.S.C. § 168(k), as in effect on January 1, 2024, is adopted for the purpose of computing Arkansas income tax liability for property purchased in tax years beginning on or after January 1, 2025.

(3) Title 26 U.S.C. § 179, as in effect on January 1, 2022, is adopted for the purpose of computing Arkansas income tax liability for property purchased in tax years beginning on or after January 1, 2022.

SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax years beginning on or after January 1, 2025.