

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 1787

By: Representative Warren

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE INCOME TAX EXEMPTION FOR RETIREMENT BENEFITS; TO PROVIDE AN INCOME TAX EXEMPTION FOR CERTAIN RETIREMENT BENEFITS RECEIVED BY LAW ENFORCEMENT OFFICERS AND FIREFIGHTERS; AND FOR OTHER PURPOSES.

Subtitle

TO PROVIDE AN INCOME TAX EXEMPTION FOR CERTAIN RETIREMENT BENEFITS RECEIVED BY LAW ENFORCEMENT OFFICERS AND FIREFIGHTERS.

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

SECTION 1. Arkansas Code § 26-51-307(e) and (f), concerning the income tax exemption for retirement or disability benefits, are amended to read as follows:

(e)(1) The following are exempt from the income tax imposed under this chapter:

(A) Retirement benefits received by a member of the uniformed services from any of the uniformed services identified in subdivision (e)(2) of this section; ~~and~~

(B) Survivor benefits that are funded by the retirement pay of a member of the uniformed services;

(C) Retirement benefits received by a retired law enforcement officer based on his or her service as a law enforcement officer;
and



(D) Retirement benefits received by a retired firefighter based on his or her service as a firefighter.

(2) As used in this subsection, ~~“member~~

(A) “Firefighter” means a:

(i) Certified firefighter with a municipal or volunteer fire department in the state; or

(ii) Firefighter with the Arkansas National Guard;

(B) “Law enforcement officer” means a:

(i) Certified law enforcement officer who is:

(a) A police officer with a municipal police department in the state;

(b) A county sheriff or deputy sheriff of a county in the state;

(c) A member of the police force of the Division of Arkansas State Police;

(d) A member of the uniformed personnel of the Arkansas Highway Police Division of the Arkansas Department of Transportation; or

(e) An employee of an agency or department of the state; or

(v) An officer of a state or local detention facility in the state; and

(C) “Member of the uniformed services” means a retired member of any of the following:

~~(A)(i)~~ The United States Army, the United States Marine Corps, the United States Navy, the United States Air Force, or the United States Coast Guard;

~~(B)(ii)~~ A reserve component of any of the United States Armed Forces listed in subdivision (e)(2)(A) of this section;

~~(C)(iii)~~ The National Guard of any state;

~~(D)(iv)~~ The commissioned regular or reserve corps of the United States Public Health Service; or

~~(E)(v)~~ The National Oceanic and Atmospheric Administration Commissioned Officer Corps.

(f)(1) Except as provided in subdivision (f)(2) of this section, a taxpayer claiming an exemption under subsection (e) of this section is not

eligible for an exemption under subsection (a) of this section.

(2) A taxpayer claiming an exemption of less than six thousand dollars (\$6,000) for income from military retirement, law enforcement retirement, firefighter retirement, or survivor benefits under subsection (e) of this section may claim as exempt additional retirement benefits under subsection (a) of this section in an amount equal to the difference between the exemption claimed under subsection (e) of this section and six thousand dollars (\$6,000).

SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax years beginning on or after January 1, 2026.