

Hall of the House of Representatives
94th General Assembly - Regular Session, 2023
Amendment Form

Subtitle of House Bill No. 1026

TO PROHIBIT LOCAL GOVERNMENTS FROM ENACTING AN INCOME TAX.

Amendment No. 1 to House Bill 1026

Amend House Bill No. 1026 as originally introduced:

Immediately following the enacting clause, add an additional section to read as follows:

"SECTION 1. Arkansas Code § 14-43-607 is repealed.

~~14-43-607. Income tax.~~

~~(a) After approval of a majority of those voting on the question in the municipality in a general or special election, a city of the first class may levy a tax on income of individual residents of that city.~~

~~(b) Upon the condition that a tax is levied pursuant to this section at the same or higher rate upon income of individual residents of that city, then after approval at the same election required in this section or at a subsequent election, the city may levy a tax on income earned by other individuals derived from activities, services rendered, or employment within the levying city.~~

~~(c) The rate of tax on income authorized by this section shall be a single percentage of the net income tax payable to the State of Arkansas.~~

~~(d)(1) One-half ($\frac{1}{2}$) of a taxpayer's income which is subject to a tax authorized by this section, in a city which is not his or her residence, shall be exempt from payment of the tax if a tax authorized by this section is levied by a city in which the taxpayer resides.~~

~~(2) The other one-half ($\frac{1}{2}$) of a taxpayer's income subject to a tax authorized by this section shall be exempt from payment of the tax authorized by this section in the city in which the taxpayer resides.~~

~~(e)(1)(A) The governing body of any city levying the tax authorized in this section and the Secretary of the Department of Finance and~~



~~Administration are authorized and empowered to enter into a contractual agreement whereby the secretary shall collect any of the taxes assessed by the city, whether by withholding of income tax or otherwise, and remit them to the city.~~

~~(B) This agreement may also provide for a consideration to be allowed the secretary for services rendered in making such collections.~~

~~(2) The secretary may establish rules concerning the procedures for collecting these taxes by him or her."~~

AND

Appropriately renumber the sections of the bill

The Amendment was read _____

By: Representative Ray

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Chief Clerk