

1 State of Arkansas  
2 93rd General Assembly  
3 Third Extraordinary Session, 2022  
4

Call Item 1

# A Bill

HOUSE BILL 1001

5 By: Representatives A. Collins, Clowney, D. Ferguson, V. Flowers, D. Garner, Godfrey, Magie,  
6 McCullough, Richardson, Scott, D. Whitaker  
7 By: Senator C. Tucker  
8

## For An Act To Be Entitled

10 AN ACT TO AMEND ARKANSAS INCOME TAX LAW; TO ADOPT  
11 FEDERAL LAW REGARDING DEPRECIATION AND EXPENSING OF  
12 PROPERTY; TO CREATE AN INFLATIONARY RELIEF INCOME-TAX  
13 CREDIT FOR CERTAIN TAXPAYERS; AND FOR OTHER PURPOSES.  
14  
15

## Subtitle

16 TO AMEND ARKANSAS INCOME TAX LAW; TO  
17 ADOPT FEDERAL LAW REGARDING DEPRECIATION  
18 AND EXPENSING OF PROPERTY; AND TO CREATE  
19 AN INFLATIONARY RELIEF INCOME-TAX CREDIT  
20 FOR CERTAIN TAXPAYERS.  
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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26 SECTION 1. Arkansas Code § 26-51-428(a), as in effect until the  
27 contingency set out in Acts 2007, No. 613, § 2, is met, and concerning the  
28 income tax deduction for depreciation and expensing of property, is amended  
29 to read as follows:

30 (a)(1) Title 26 U.S.C. §§ 167 and 168(a)-(j), as in effect on January  
31 1, 2019, ~~and 26 U.S.C. § 179, as in effect on January 1, 2009, regarding~~  
32 ~~depreciation and expensing of property,~~ are adopted for the purpose of  
33 computing Arkansas income tax liability for property purchased in tax years  
34 beginning on or after January 1, 2014.

35 (2) Title 26 U.S.C. § 179, as in effect on January 1, 2022, is  
36 adopted for the purpose of computing Arkansas income tax liability for



1 property purchased in tax years beginning on or after January 1, 2022.

2  
 3 SECTION 2. DO NOT CODIFY. TEMPORARY LANGUAGE. Inflationary relief  
 4 income-tax credit.

5 (a) As used in this section, “resident” means natural persons and  
 6 includes, for the purpose of determining liability for the tax imposed by the  
 7 Income Tax Act of 1929, § 26-51-101 et seq., upon or with reference to the  
 8 income of any taxable year, any person domiciled in the State of Arkansas and  
 9 any other person who maintains a permanent place of abode within this state  
 10 and spends in the aggregate more than six (6) months of the taxable year  
 11 within this state.

12 (b)(1)(A) For the tax year beginning January 1, 2022, a resident  
 13 individual taxpayer who files an Arkansas full-year resident income-tax  
 14 return, other than a joint return, having net income up to one hundred  
 15 sixteen thousand dollars (\$116,000) is allowed an income-tax credit against  
 16 the individual income tax imposed by the Income Tax Act of 1929, § 26-51-101  
 17 et seq., in accordance with the following table:

<u>From</u>	<u>Less Than or Equal to</u>	<u>Credit Amount</u>
<u>\$1</u>	<u>\$87,000</u>	<u>\$300</u>
<u>\$87,001</u>	<u>\$88,000</u>	<u>\$290</u>
<u>\$88,001</u>	<u>\$89,000</u>	<u>\$280</u>
<u>\$89,001</u>	<u>\$90,000</u>	<u>\$270</u>
<u>\$90,001</u>	<u>\$91,000</u>	<u>\$260</u>
<u>\$91,001</u>	<u>\$92,000</u>	<u>\$250</u>
<u>\$92,001</u>	<u>\$93,000</u>	<u>\$240</u>
<u>\$93,001</u>	<u>\$94,000</u>	<u>\$230</u>
<u>\$94,001</u>	<u>\$95,000</u>	<u>\$220</u>
<u>\$95,001</u>	<u>\$96,000</u>	<u>\$210</u>
<u>\$96,001</u>	<u>\$97,000</u>	<u>\$200</u>
<u>\$97,001</u>	<u>\$98,000</u>	<u>\$190</u>
<u>\$98,001</u>	<u>\$99,000</u>	<u>\$180</u>
<u>\$99,001</u>	<u>\$100,000</u>	<u>\$170</u>
<u>\$100,001</u>	<u>\$101,000</u>	<u>\$160</u>
<u>\$101,001</u>	<u>\$102,000</u>	<u>\$150</u>
<u>\$102,001</u>	<u>\$103,000</u>	<u>\$140</u>
<u>\$103,001</u>	<u>\$104,000</u>	<u>\$130</u>

1	<u>\$104,001</u>	<u>\$105,000</u>	<u>\$120</u>
2	<u>\$105,001</u>	<u>\$106,000</u>	<u>\$110</u>
3	<u>\$106,001</u>	<u>\$107,000</u>	<u>\$100</u>
4	<u>\$107,001</u>	<u>\$108,000</u>	<u>\$90</u>
5	<u>\$108,001</u>	<u>\$109,000</u>	<u>\$80</u>
6	<u>\$109,001</u>	<u>\$110,000</u>	<u>\$70</u>
7	<u>\$110,001</u>	<u>\$111,000</u>	<u>\$60</u>
8	<u>\$111,001</u>	<u>\$112,000</u>	<u>\$50</u>
9	<u>\$112,001</u>	<u>\$113,000</u>	<u>\$40</u>
10	<u>\$113,001</u>	<u>\$114,000</u>	<u>\$30</u>
11	<u>\$114,001</u>	<u>\$115,000</u>	<u>\$20</u>
12	<u>\$115,001</u>	<u>\$116,000</u>	<u>\$10</u>
13	<u>\$116,001 and up</u>		<u>\$0</u>

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15 (B) Spouses filing separately on the same income-tax return may each  
 16 claim one (1) credit under subdivision (b)(1)(A) of this section against the  
 17 tax on the return of each spouse.

18 (2)(A) For the tax year beginning January 1, 2022, resident  
 19 individual taxpayers who file a joint Arkansas full-year resident income-tax  
 20 return having net income up to two hundred forty-seven thousand dollars  
 21 (\$247,000) are allowed an income tax credit against the individual income tax  
 22 imposed by the Income Tax Act of 1929, § 26-51-101 et seq., in accordance  
 23 with the following table:

24	<u>From</u>	<u>Less Than or Equal to</u>	<u>Credit Amount</u>
25	<u>\$1</u>	<u>\$174,000</u>	<u>\$600</u>
26	<u>\$174,001</u>	<u>\$176,000</u>	<u>\$590</u>
27	<u>\$176,001</u>	<u>\$178,000</u>	<u>\$580</u>
28	<u>\$178,001</u>	<u>\$180,000</u>	<u>\$570</u>
29	<u>\$180,001</u>	<u>\$182,000</u>	<u>\$560</u>
30	<u>\$182,001</u>	<u>\$184,000</u>	<u>\$550</u>
31	<u>\$184,001</u>	<u>\$186,000</u>	<u>\$540</u>
32	<u>\$186,001</u>	<u>\$188,000</u>	<u>\$530</u>
33	<u>\$188,001</u>	<u>\$190,000</u>	<u>\$520</u>
34	<u>\$190,001</u>	<u>\$192,000</u>	<u>\$510</u>
35	<u>\$192,001</u>	<u>\$194,000</u>	<u>\$500</u>
36	<u>\$194,001</u>	<u>\$196,000</u>	<u>\$490</u>

1	<u>\$196,001</u>	<u>\$198,000</u>	<u>\$480</u>
2	<u>\$198,001</u>	<u>\$200,000</u>	<u>\$470</u>
3	<u>\$200,001</u>	<u>\$202,000</u>	<u>\$460</u>
4	<u>\$202,001</u>	<u>\$203,000</u>	<u>\$450</u>
5	<u>\$203,001</u>	<u>\$204,000</u>	<u>\$440</u>
6	<u>\$204,001</u>	<u>\$205,000</u>	<u>\$430</u>
7	<u>\$205,001</u>	<u>\$206,000</u>	<u>\$420</u>
8	<u>\$206,001</u>	<u>\$207,000</u>	<u>\$410</u>
9	<u>\$207,001</u>	<u>\$208,000</u>	<u>\$400</u>
10	<u>\$208,001</u>	<u>\$209,000</u>	<u>\$390</u>
11	<u>\$209,001</u>	<u>\$210,000</u>	<u>\$380</u>
12	<u>\$210,001</u>	<u>\$211,000</u>	<u>\$370</u>
13	<u>\$211,001</u>	<u>\$212,000</u>	<u>\$360</u>
14	<u>\$212,001</u>	<u>\$213,000</u>	<u>\$350</u>
15	<u>\$213,001</u>	<u>\$214,000</u>	<u>\$340</u>
16	<u>\$214,001</u>	<u>\$215,000</u>	<u>\$330</u>
17	<u>\$215,001</u>	<u>\$216,000</u>	<u>\$320</u>
18	<u>\$216,001</u>	<u>\$217,000</u>	<u>\$310</u>
19	<u>\$217,001</u>	<u>\$218,000</u>	<u>\$300</u>
20	<u>\$218,001</u>	<u>\$219,000</u>	<u>\$290</u>
21	<u>\$219,001</u>	<u>\$220,000</u>	<u>\$280</u>
22	<u>\$220,001</u>	<u>\$221,000</u>	<u>\$270</u>
23	<u>\$221,001</u>	<u>\$222,000</u>	<u>\$260</u>
24	<u>\$222,001</u>	<u>\$223,000</u>	<u>\$250</u>
25	<u>\$223,001</u>	<u>\$224,000</u>	<u>\$240</u>
26	<u>\$224,001</u>	<u>\$225,000</u>	<u>\$230</u>
27	<u>\$225,001</u>	<u>\$226,000</u>	<u>\$220</u>
28	<u>\$226,001</u>	<u>\$227,000</u>	<u>\$210</u>
29	<u>\$227,001</u>	<u>\$228,000</u>	<u>\$200</u>
30	<u>\$228,001</u>	<u>\$229,000</u>	<u>\$190</u>
31	<u>\$229,001</u>	<u>\$230,000</u>	<u>\$180</u>
32	<u>\$230,001</u>	<u>\$231,000</u>	<u>\$170</u>
33	<u>\$231,001</u>	<u>\$232,000</u>	<u>\$160</u>
34	<u>\$232,001</u>	<u>\$233,000</u>	<u>\$150</u>
35	<u>\$233,001</u>	<u>\$234,000</u>	<u>\$140</u>
36	<u>\$234,001</u>	<u>\$235,000</u>	<u>\$130</u>

1	<u>\$235,001</u>	<u>\$236,000</u>	<u>\$120</u>
2	<u>\$236,001</u>	<u>\$237,000</u>	<u>\$110</u>
3	<u>\$237,001</u>	<u>\$238,000</u>	<u>\$100</u>
4	<u>\$238,001</u>	<u>\$239,000</u>	<u>\$90</u>
5	<u>\$239,001</u>	<u>\$240,000</u>	<u>\$80</u>
6	<u>\$240,001</u>	<u>\$241,000</u>	<u>\$70</u>
7	<u>\$241,001</u>	<u>\$242,000</u>	<u>\$60</u>
8	<u>\$242,001</u>	<u>\$243,000</u>	<u>\$50</u>
9	<u>\$243,001</u>	<u>\$244,000</u>	<u>\$40</u>
10	<u>\$244,001</u>	<u>\$245,000</u>	<u>\$30</u>
11	<u>\$245,001</u>	<u>\$246,000</u>	<u>\$20</u>
12	<u>\$246,001</u>	<u>\$247,000</u>	<u>\$10</u>
13	<u>\$247,101 and up</u>		<u>\$0</u>

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15 (B) Spouses filing jointly on the same income-tax return  
 16 shall receive only one (1) credit under subdivision (b)(2)(A) of this section  
 17 against their aggregate tax.

18 (c) The credits allowed under subdivisions (b)(1) and (b)(2) of this  
 19 section cannot be claimed by a taxpayer:

20 (1) For any tax year other than the tax year beginning on  
 21 January 1, 2022; or

22 (2) Who files a nonresident return or a part-year resident  
 23 return.

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

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28 SECTION 3. EFFECTIVE DATE.

29 (a) Section 1 this act is effective for tax years beginning on or after  
 30 January 1, 2022.

31 (b) Section 2 this act is effective for the tax year beginning on  
 32 January 1, 2022.

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