

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015
4

As Engrossed: H2/17/15

A Bill

HOUSE BILL 1007

5 By: Representative Linck
6

For An Act To Be Entitled

8 AN ACT TO REDUCE THE INCOME TAX RATES FOR
9 INDIVIDUALS, TRUSTS, AND ESTATES; TO OFFSET THE
10 REVENUES GENERATED BY SALES TAX COLLECTED FROM OUT-
11 OF-STATE SELLERS BY REDUCING THE INCOME TAX RATES
12 APPLICABLE TO INDIVIDUALS, TRUSTS, AND ESTATES; AND
13 FOR OTHER PURPOSES.
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Subtitle

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17 TO OFFSET THE REVENUES GENERATED BY SALES
18 TAX COLLECTED FROM OUT-OF-STATE SELLERS
19 BY REDUCING THE INCOME TAX RATES
20 APPLICABLE TO INDIVIDUALS, TRUSTS, AND
21 ESTATES.
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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 § 26-51-201, *as amended by Act 22 of 2015 and*
27 *concerning* the income tax imposed on individuals, trusts, and estates, is
28 amended to add an additional subsection to read as follows:

29 (e) If the director determines that federal law authorizes the state
30 to collect sales and use tax from sellers that do not have a physical
31 presence in the state, then after the first twelve (12) months of collecting
32 sales and use tax from sellers that do not have a physical presence in the
33 state the director shall:

34 (1) After making the deductions required under § 19-5-
35 202(b)(2)(B)(i), certify to the Governor and the Office of Economic and Tax
36 Policy the amount of available net general revenues attributable to the



1 collection of sales and use tax from sellers that do not have a physical
2 presence in the state during the first twelve (12) months of collections;

3 (2) Use any amount under subdivision (e)(1) of this section that
4 exceeds seventy million dollars (\$70,000,000) to reduce the rate of four and
5 five-tenths percent (4.5%) in the table contained in subdivision (a)(7) of
6 this section equally for all taxpayers subject to the rate of four and five-
7 tenths percent (4.5%);

8 (3) Certify the amount of the reduction of the income tax rate
9 under this subsection to the Governor and the Office of Economic and Tax
10 Policy; and

11 (4) Incorporate the reduced income tax rate into the table
12 prescribed under subsection (d) of this section, which shall be applicable
13 for each tax year thereafter.

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15 SECTION 2. EFFECTIVE DATE. This act is effective for tax years
16 beginning on and after January 1, 2015.

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18 /s/Linck

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21 **APPROVED: 03/27/2015**
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