

1 State of Arkansas  
2 91st General Assembly  
3 Regular Session, 2017  
4  
5 By: Representative Jett  
6

# A Bill

HOUSE BILL 1562

## For An Act To Be Entitled

8 AN ACT TO REQUIRE THAT PARTNERSHIP INCOME BE  
9 DETERMINED FOR STATE INCOME TAX PURPOSES BY USING AN  
10 APPORTIONMENT METHOD; AND FOR OTHER PURPOSES.

## Subtitle

14 TO REQUIRE THAT PARTNERSHIP INCOME BE  
15 DETERMINED FOR STATE INCOME TAX PURPOSES  
16 BY USING AN APPORTIONMENT METHOD.

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

21 SECTION 1. Arkansas Code § 26-51-802(c), concerning partnership income  
22 tax returns, is amended to read as follows:

23 (c)(1) ~~The provisions of § 26-51-702 are not applicable to~~  
24 ~~partnerships filing Arkansas partnership returns.~~ A partnership that files an  
25 Arkansas partnership return and has income from both within and without  
26 Arkansas shall apportion income to Arkansas under the Uniform Division of  
27 Income for Tax Purposes Act, § 26-51-701 et seq.

28 (2) Subject to the provisions of § 26-51-202(e), all partnership  
29 income from activities within this state ~~that is reflected on a partnership~~  
30 ~~return~~ shall be allocated to this state by each partner as determined and  
31 reported on the Arkansas partnership return.

33 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax  
34 years beginning on and after January 1, 2018.

