

1 State of Arkansas *As Engrossed: H3/28/13 H4/3/13 S4/16/13 S4/18/13*

2 89th General Assembly

# A Bill

3 Regular Session, 2013

HOUSE BILL 1966

4  
5 By: Representatives Carter, *Collins*

6 By: Senator J. Dismang

## For An Act To Be Entitled

9 AN ACT TO AMEND THE LAWS *CONCERNING THE STANDARD*  
10 *DEDUCTION AND THE INCOME TAX ON CAPITAL GAINS; AND*  
11 FOR OTHER PURPOSES.

## Subtitle

15 *TO AMEND THE LAWS CONCERNING THE STANDARD*  
16 *DEDUCTION AND THE INCOME TAX ON CAPITAL*  
17 *GAINS.*

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

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22 *SECTION 1. Arkansas Code § 26-51-430(b), concerning the standard*  
23 *deduction for purposes of the income tax, is amended to read as follows:*

24 *(b)(1) The standard deduction shall be:*

25 *(A) For the tax year beginning January 1, 2014, two*  
26 *thousand dollars (\$2,000) per taxpayer; and*

27 *(B) For tax years beginning on and after January 1, 2015,*  
28 *two thousand two hundred dollars (\$2,200) per taxpayer.*

29 *(2) In the case of a married couple, each spouse shall be*  
30 *entitled to claim a standard deduction of:*

31 *(A) For the tax year beginning January 1, 2014, two*  
32 *thousand dollars (\$2,000); and*

33 *(B) For tax years beginning on and after January 1, 2015,*  
34 *two thousand two hundred dollars (\$2,200).*

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36 *SECTION 2. Arkansas Code § 26-51-815(b), concerning the computation of*



1 capital gains and losses, is amended to read as follows:

2 (b)(1) If Except as otherwise provided in this subsection, if a  
3 taxpayer has a net capital gain for tax years beginning on and after January  
4 1, 1999, thirty percent (30%) of the gain ~~shall be~~ is exempt from state  
5 income tax.

6 (2) If a taxpayer has a net capital gain for tax years beginning  
7 on and after January 1, 2015, fifty percent (50%) of the gain is exempt from  
8 state income tax.

9 (3) The amount of net capital gain in excess of ten million  
10 dollars (\$10,000,000) from a gain realized on or after January 1, 2014, is  
11 exempt from the state income tax.

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13 SECTION 3. EFFECTIVE DATE. This act is effective for tax years  
14 beginning on and after January 1, 2014.

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16 /s/Carter  
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