

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

As Engrossed: S1/15/15

A Bill

SENATE BILL 6

5 By: Senator J. Dismang
6 By: Representative Gillam
7

For An Act To Be Entitled

8
9 *2015; TO AMEND THE INCOME TAX RATES FOR INDIVIDUALS,*
10 *TRUSTS, AND ESTATES; TO ADJUST THE MINIMUM AND*
11 *MAXIMUM DOLLAR AMOUNTS IN CERTAIN INCOME BRACKETS FOR*
12 *INDIVIDUALS, TRUSTS, AND ESTATES; AND FOR OTHER*
13 *PURPOSES.*
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Subtitle

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17 *TO CREATE THE MIDDLE CLASS TAX RELIEF ACT*
18 *OF 2015; AND TO AMEND THE INCOME TAX*
19 *RATES AND BRACKETS FOR INDIVIDUALS,*
20 *TRUSTS, AND ESTATES.*
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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25 *SECTION 1. Arkansas Code § 26-51-201(a), concerning the income tax on*
26 *individuals, trusts, and estates, is amended to read as follows:*

27 *(a) For tax years beginning on and after January 1, 2012*
28 *2014, a tax is imposed upon, and with respect to, the entire income of every*
29 *resident, individual, trust, or estate. The tax shall be levied, collected,*
30 *and paid annually upon the entire net income as defined and computed in this*
31 *chapter at the following rates, giving effect to the tax credits provided*
32 *hereafter, in the manner set forth:*

33 *(1)(A) On the first ~~four thousand ninety-nine dollars (\$4,099)~~*
34 *four thousand two hundred ninety-nine dollars (\$4,299) of net income or any*
35 *part thereof, ~~one percent (1%),~~ nine-tenths percent (0.9%);*

36 *~~(B) For tax years beginning on and after January 1, 2014,~~*



1 ~~on the first four thousand ninety nine dollars (\$4,099) of net income or any~~
2 ~~part thereof, nine tenths percent (0.9%);~~

3 (2)(A) On the next four thousand one hundred dollars (\$4,100) of
4 net income or any part thereof, two and five-tenths percent (2.5%);

5 ~~(B) For tax years beginning on and after January 1, 2015,~~
6 ~~on the next four thousand one hundred dollars (\$4,100) of net income or any~~
7 ~~part thereof, two and four tenths percent (2.4%);~~

8 (3)(A) On the next ~~four thousand dollars (\$4,000)~~ four thousand
9 two hundred dollars (\$4,200) of net income or any part thereof, three and
10 five-tenths percent (3.5%);

11 ~~(B) For tax years beginning on and after January 1, 2015,~~
12 ~~on the next four thousand dollars (\$4,000) of net income or any part thereof,~~
13 ~~three and four tenths percent (3.4%);~~

14 (4)(A) On the next ~~eight thousand two hundred dollars (\$8,200)~~
15 eight thousand four hundred dollars (\$8,400) of net income or any part
16 thereof, four and five-tenths percent (4.5%);

17 ~~(B) For tax years beginning on and after January 1, 2015,~~
18 ~~on the next eight thousand two hundred dollars (\$8,200) of net income or any~~
19 ~~part thereof, four and four tenths percent (4.4%);~~

20 (5)(A) On the next ~~thirteen thousand six hundred dollars~~
21 ~~(\$13,600)~~ fourteen thousand one hundred dollars (\$14,100) of net income or
22 any part thereof, six percent (6%);

23 ~~(B) For tax years beginning on and after January 1, 2015,~~
24 ~~on the next thirteen thousand six hundred dollars (\$13,600) of net income or~~
25 ~~any part thereof, five and nine tenths percent (5.9%); and~~

26 (6)(A) On net income of ~~thirty four thousand dollars (\$34,000)~~
27 thirty-five thousand one hundred dollars (\$35,100) and above, seven percent
28 (7%);

29 ~~(B) For tax years beginning on and after January 1, 2015,~~
30 ~~on net income of thirty four thousand dollars (\$34,000) and above, six and~~
31 ~~nine tenths percent (6.9%).~~

32 (7) For tax years beginning on and after January 1, 2016, every
33 resident, individual, trust, or estate having net income greater than or
34 equal to twenty-one thousand dollars (\$21,000), but less than or equal to
35 seventy-five thousand dollars (\$75,000), shall determine the amount of income
36 tax due under this subsection in accordance with the table set forth below:

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<u>From</u>	<u>Less Than or Equal To</u>	<u>Rate</u>
<u>\$0</u>	<u>\$4,299</u>	<u>0.9%</u>
<u>\$4,300</u>	<u>\$8,399</u>	<u>2.5%</u>
<u>\$8,400</u>	<u>\$12,599</u>	<u>3.5%</u>
<u>\$12,600</u>	<u>\$20,999</u>	<u>4.5%</u>
<u>\$21,000</u>	<u>\$35,099</u>	<u>5%</u>
<u>\$35,100</u>	<u>\$75,000</u>	<u>6%</u>

(8) For tax years beginning on and after January 1, 2015, every resident, individual, trust, or estate having net income of less than twenty-one thousand dollars (\$21,000) shall determine the amount of income tax due under this subsection in accordance with the table set forth below:

<u>From</u>	<u>Less Than or Equal To</u>	<u>Rate</u>
<u>\$0</u>	<u>\$4,299</u>	<u>0.9%</u>
<u>\$4,300</u>	<u>\$8,399</u>	<u>2.4%</u>
<u>\$8,400</u>	<u>\$12,599</u>	<u>3.4%</u>
<u>\$12,600</u>	<u>\$20,999</u>	<u>4.4%</u>

(9) For tax years beginning on and after January 1, 2016, every resident, individual, trust, or estate having net income of more than seventy-five thousand dollars (\$75,000) shall determine the amount of income tax due under this subsection in accordance with the table set forth below:

<u>From</u>	<u>Less Than or Equal To</u>	<u>Rate</u>
<u>\$0</u>	<u>\$4,299</u>	<u>0.9%</u>
<u>\$4,300</u>	<u>\$8,399</u>	<u>2.5%</u>
<u>\$8,400</u>	<u>\$12,599</u>	<u>3.5%</u>
<u>\$12,600</u>	<u>\$20,999</u>	<u>4.5%</u>
<u>\$21,000</u>	<u>\$35,099</u>	<u>6%</u>
<u>\$35,100 and above</u>		<u>6.9%</u>

(10) For tax years beginning on and after January 1, 2016, every resident, individual, trust, or estate having net income of more than seventy-five thousand dollars (\$75,000) but not more than eighty thousand

1 dollars (\$80,000), shall reduce the amount of income tax due as determined
 2 under subdivision (a)(9) of this section by deducting a bracket adjustment
 3 amount in accordance with the table set forth below:

<u>From</u>	<u>Equal To</u>	<u>Bracket Adjustment Amount</u>
<u>\$75,001</u>	<u>\$76,000</u>	<u>\$440</u>
<u>\$76,001</u>	<u>\$77,000</u>	<u>\$340</u>
<u>\$77,001</u>	<u>\$78,000</u>	<u>\$240</u>
<u>\$78,001</u>	<u>\$79,000</u>	<u>\$140</u>
<u>\$79,001</u>	<u>\$80,000</u>	<u>\$40</u>
<u>\$80,001 and above</u>		<u>\$0</u>

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 13 (11) The tables set forth in subdivisions (a)(1)-(a)(10) of this
 14 section shall be adjusted annually in accordance with the method set forth in
 15 subsection (d) of this section.

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 17 /s/J. Dismang
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