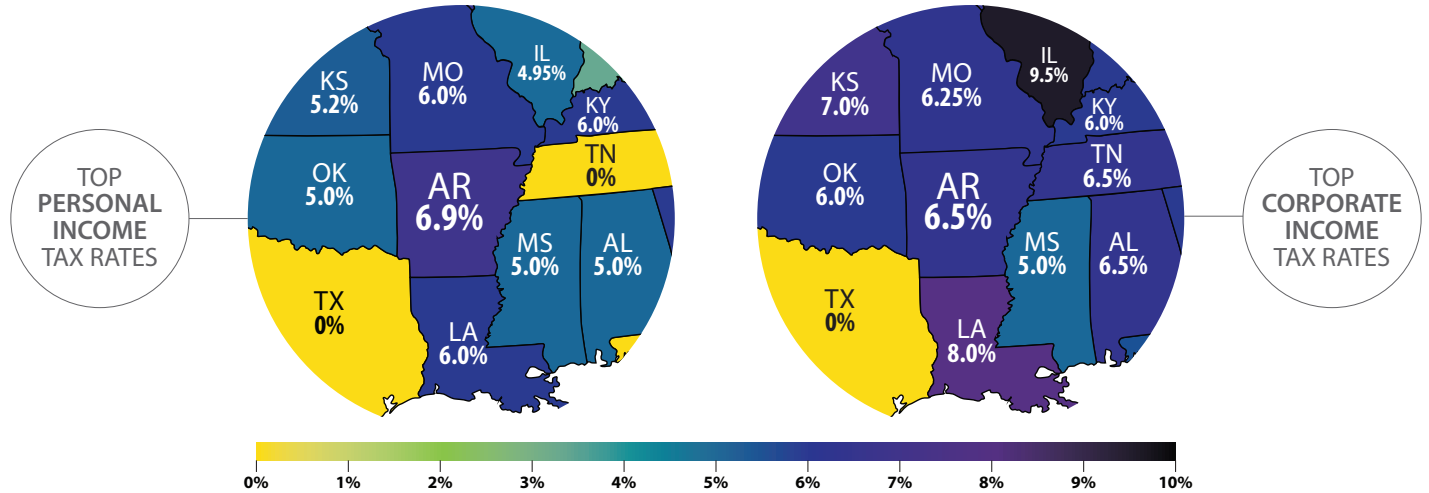
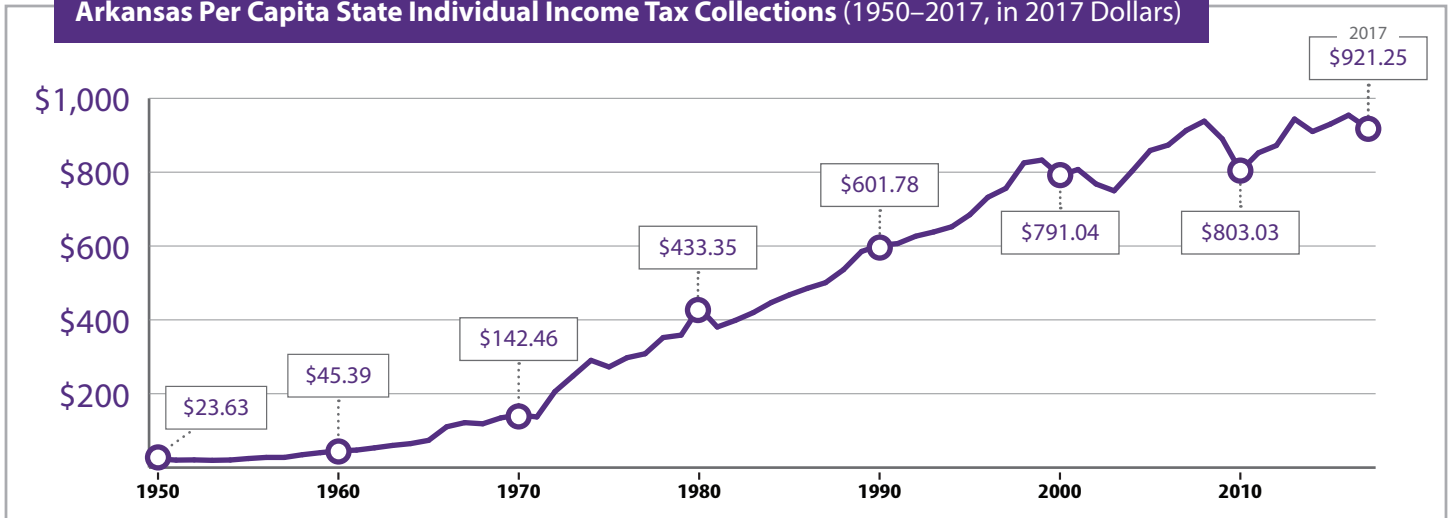


THE ROAD MAP TO TAX REFORM

Arkansas has some of the highest personal and corporate income tax rates in the region. The last time Arkansas undertook comprehensive tax reform was 1971, and this reform increased the top individual income tax rate from 5% to 7%.



Arkansas Per Capita State Individual Income Tax Collections (1950–2017, in 2017 Dollars)



State Individual Income Tax Rates: 2016 vs. Proposed Option B

Proposed Option B from *Arkansas: The Road Map to Tax Reform*

Income Level Under \$21,000			Income Level Between \$21,000 and \$75,000			Income Level Above \$75,000		
Income Bracket	Rate	Proposed	Income Bracket	Rate	Proposed	Income Bracket	Rate	Proposed
\$0 – \$4,299	0.9%	0%	\$0 – \$4,299	0.9%	0%	\$0 – \$4,299	0.9%	0%
\$4,300 – \$8,399	2.4%	2%	\$4,300 – \$8,399	2.5%	2%	\$4,300 – \$8,399	2.5%	2%
\$8,400 – \$12,599	3.4%	2%	\$8,400 – \$12,599	3.5%	2%	\$8,400 – \$12,599	3.5%	2%
\$12,600 – \$20,999	4.4%	4%	\$12,600 – \$20,999	4.5%	4%	\$12,600 – \$20,999	4.5%	4%
			\$21,000 – \$35,099	5.0%	4%	\$21,000 – \$35,099	6.0%	4%
			\$35,100 – \$75,000	6.0%	5%	\$35,100+	6.9%	5%

Note: Tax cuts enacted in 2017 and effective in 2019 partially accomplished the rate cuts in the low income (under \$21,000) table.

For complete analysis, view the full report, *Arkansas: The Road Map to Tax Reform*:
taxfoundation.org/arkansas-road-map-tax-reform/

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