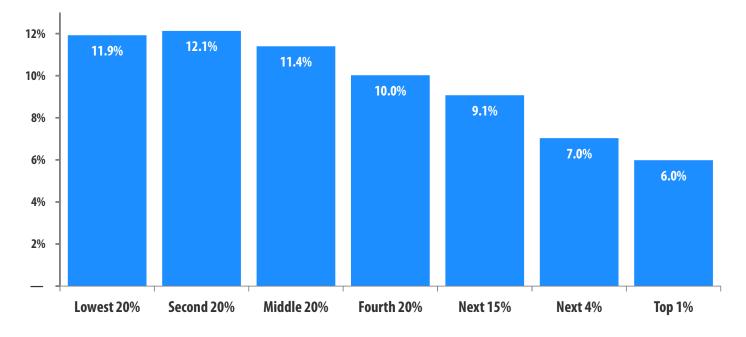
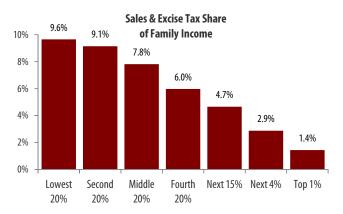
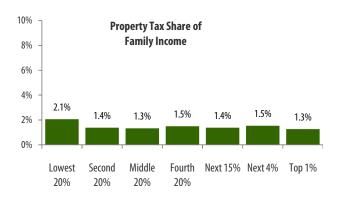
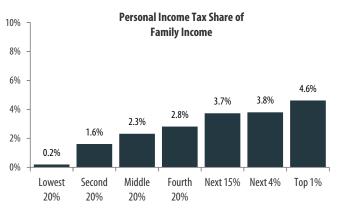
Arkansas State & Local Taxes

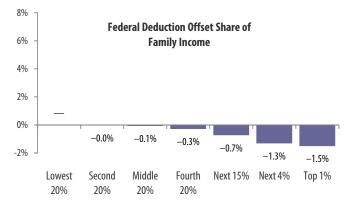
Shares of family income for non-elderly taxpayers











Note: Figures show permanent law in Arkansas enacted through January 2, 2013 at 2010 income levels. Top figure represents total state and local taxes as a share of personal income, post-federal offset.

Arkansas State & Local Taxes

Details, Tax Code Features, & Recent Developments

Income	Lowest	Second	Middle	Fourth	Тор 20%		
Group	20 %	20 %	20%	20%	Next 15%	Next 4%	TOP 1%
Income	Less than	\$15,000 –	\$27,000 –	\$44,000	\$71,000 -	\$144,000 –	\$311,000
Range	\$15,000	\$27,000	\$44,000	\$71,000	\$144,000	\$311,000	or more
Average Income in Group	\$8,600	\$21,200	\$35,200	\$55,500	\$94,400	\$193,300	\$723,300
Sales & Excise Taxes	9.6 %	9.1 %	7.8 %	6.0 %	4.7 %	2.9 %	1.4%
General Sales—Individuals	5.4%	5.4%	4.8%	3.8%	3.0%	1.9%	1.0%
Other Sales & Excise—Ind.	1.9%	1.5%	1.1%	0.8%	0.5%	0.3%	0.1%
Sales & Excise on Business	2.3%	2.2%	1.9%	1.4%	1.1%	0.7%	0.4%
Property Taxes	2.1%	1.4%	1.3%	1.5%	1.4%	1.5%	1.3%
Property Taxes on Families	2.0%	1.3%	1.3%	1.4%	1.3%	1.2%	0.7%
Other Property Taxes	0.0%	0.1%	0.0%	0.1%	0.1%	0.4%	0.6%
Income Taxes	0.2 %	1.6%	2.3%	2.8%	3.8%	3.9 %	4.8 %
Personal Income Tax	0.2%	1.6%	2.3%	2.8%	3.7%	3.8%	4.6%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%
Total Taxes	11 .9 %	12.2%	11.5%	10.3%	9.8 %	8.3 %	7.5%
Federal Deduction Offset	0.0%	0.0%	-0.1%	-0.3%	-0.7%	-1.3%	-1.5%
OVERALL TOTAL	11.9%	12.1%	11.4%	10.0%	9.1 %	7.0 %	6.0 %

Note: Table shows detailed breakout of data on previous page.

Progressive Features

✓ Income tax uses a graduated rate structure

✓ Provides a low-income tax credit linked to the federal poverty levelt

Regressive Features

✗ Provides an income tax exclusion equal to 30 percent of capital gains income

★ Fails to use combined reporting as part of its corporate income tax

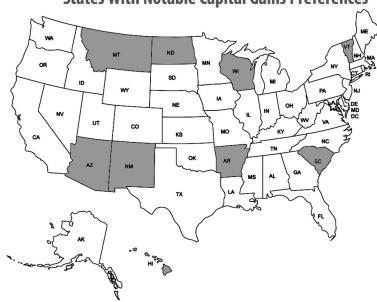
Recent Developments

▲ Updated low income tax relief mechanism for head of household filers

▲ Enacted Amazon Law

▲ Increased sales tax temporarily to pay for transportation

▲ Reduced sales tax on food



States With Notable Capital Gains Preferences