

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

A Bill

HOUSE BILL 1438

5 By: Representative Cavanaugh
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For An Act To Be Entitled

9 AN ACT TO AMEND THE STATE INCOME TAX LAWS; TO CREATE
10 AN INCOME TAX CREDIT FOR TAXPAYERS SIXTY-FIVE AND
11 OLDER IN AN AMOUNT EQUAL TO THE TAXPAYER'S PROPERTY
12 TAX PAYMENT ON A HOMESTEAD; AND FOR OTHER PURPOSES.
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Subtitle

15 TO CREATE AN INCOME TAX CREDIT FOR
16 TAXPAYERS SIXTY-FIVE AND OLDER IN AN
17 AMOUNT EQUAL TO THE TAXPAYER'S PROPERTY
18 TAX PAYMENT ON A HOMESTEAD.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 5, is
24 amended to add an additional section to read as follows:

25 26-51-518. Credit for homestead property tax paid.

26 (a) There is allowed an income tax credit against the income tax
27 imposed by this chapter in the amount determined under subsection (b) of this
28 section for a taxpayer who is at sixty-five (65) years of age or older during
29 the tax year.

30 (b) The amount of the income tax credit allowed under subsection (a)
31 of this section is equal to the amount of real property tax paid by the
32 taxpayer during the tax year on the taxpayer's homestead minus any amount
33 paid by the taxpayer for delinquent property tax or penalties on delinquent
34 property tax during the past year.

35 (c) If the amount of the income tax credit allowed under this section
36 exceeds the taxpayer's income tax liability, the excess shall be refunded to



1 the taxpayer.

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3 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax
4 years beginning on or after January 1, 2025.

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