

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

A Bill

SENATE BILL 204

5 By: Senator C. Penzo
6 By: Representatives J. Moore, Ray, Rose
7

For An Act To Be Entitled

8
9 AN ACT TO AMEND THE STATE INCOME TAX LAWS; TO EXEMPT
10 FROM GROSS INCOME A GAIN BY A TAXPAYER RESULTING FROM
11 THE ACQUISITION OF PROPERTY UNDER THE RIGHT OF
12 EMINENT DOMAIN OR THE THREAT OF CONDEMNATION; AND FOR
13 OTHER PURPOSES.
14

Subtitle

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16
17 TO EXEMPT FROM GROSS INCOME A GAIN BY A
18 TAXPAYER RESULTING FROM THE ACQUISITION
19 OF PROPERTY UNDER THE RIGHT OF EMINENT
20 DOMAIN OR THE THREAT OF CONDEMNATION.
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. Arkansas Code § 26-51-404(b), concerning exclusions from
25 gross income under the Income Tax Act of 1929, is amended to add an
26 additional subdivision to read as follows:

27 (36) A gain by a taxpayer resulting from the acquisition of real
28 property by an entity with the power of eminent domain under the right of
29 eminent domain or threat of condemnation under Title 18, Chapter 15 or § 27-
30 67-301 et seq.
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32 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax
33 years beginning on or after January 1, 2025.
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