



**State of Arkansas  
Department of Finance and Administration  
Fiscal Impact Statement**

**Bill: SB386**

**Bill Subtitle: TO REPEAL THE LAW REQUIRING THE SECRETARY OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO SUBMIT A REPORT CONCERNING CHANGES MADE IN FEDERAL INCOME TAX LAWS AND REGULATIONS.**

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**Sponsors:**

**Sen. Crowell and Rep. Cavanaugh**

**Basic Change:**

SB386 repeals the requirement that the Department of Finance and Administration (DFA) submit an annual report to the House and Senate Committees on Revenue and Taxation regarding changes in federal tax laws and regulations.

The federal tax code consists of thousands of pages, the majority of which has not been adopted by Arkansas. The requirement that DFA annually summarize changes in federal tax laws was enacted in 1989. SB386 would repeal the requirement that DFA prepare and submit the annual report.

DFA would still be required to monitor changes in federal income tax laws to determine how the changes may affect Arkansas income tax law and for the purpose of determining how the changes differ from provisions adopted for Arkansas income tax purposes.

**Fiscal Impact:**

None.

**Taxpayer Impact:**

None.

**Resources Required:**

None.

**Time Required:**

Adequate time is provided for implementation.

**Procedural Changes:**

DFA will no longer be required to submit the annual report required by § 10-3-220(b).

**Other Comments:**

None.



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**Legal Analysis:**

None.