

State of Arkansas

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REMI Tax-PI

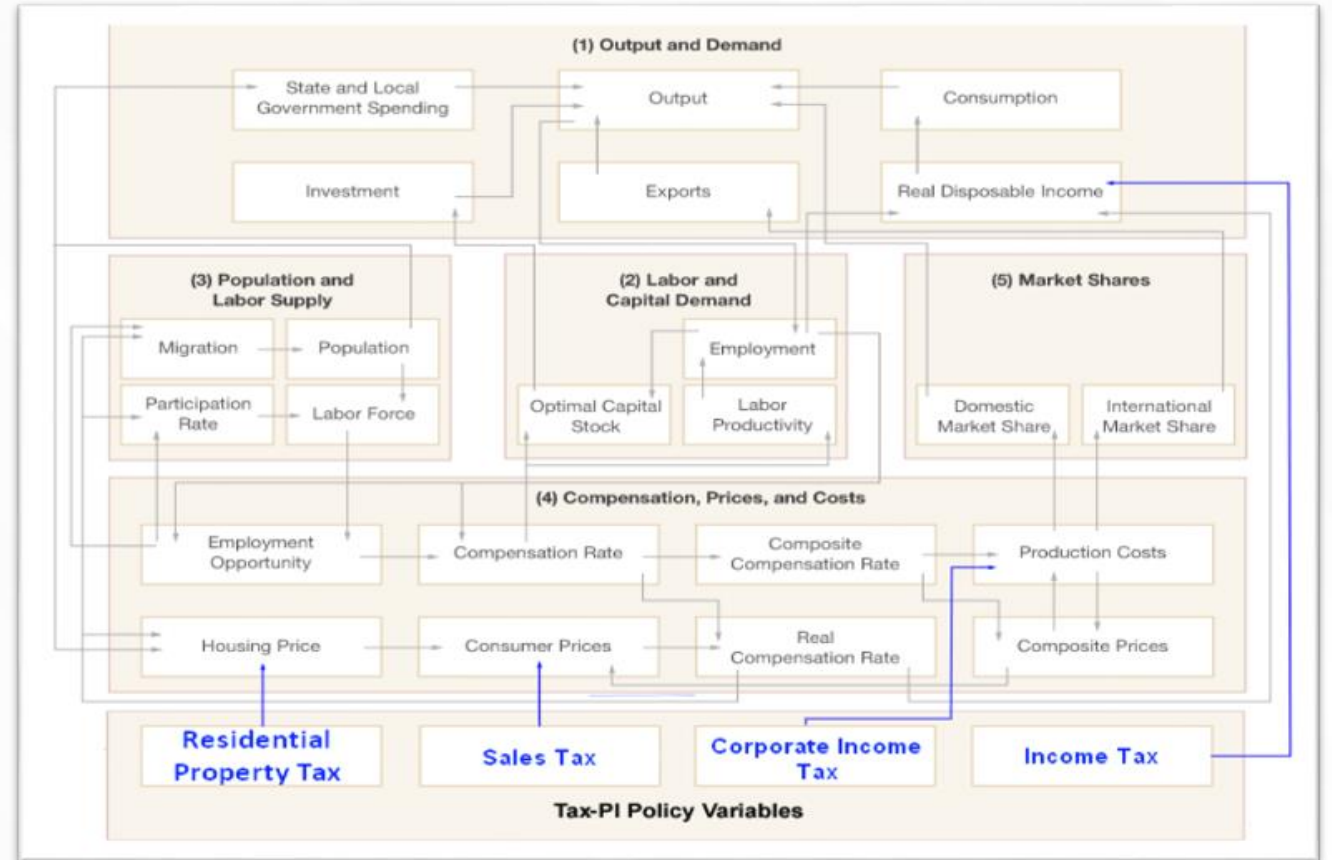
Regional Economic Models, Inc.

REMI Tax-PI



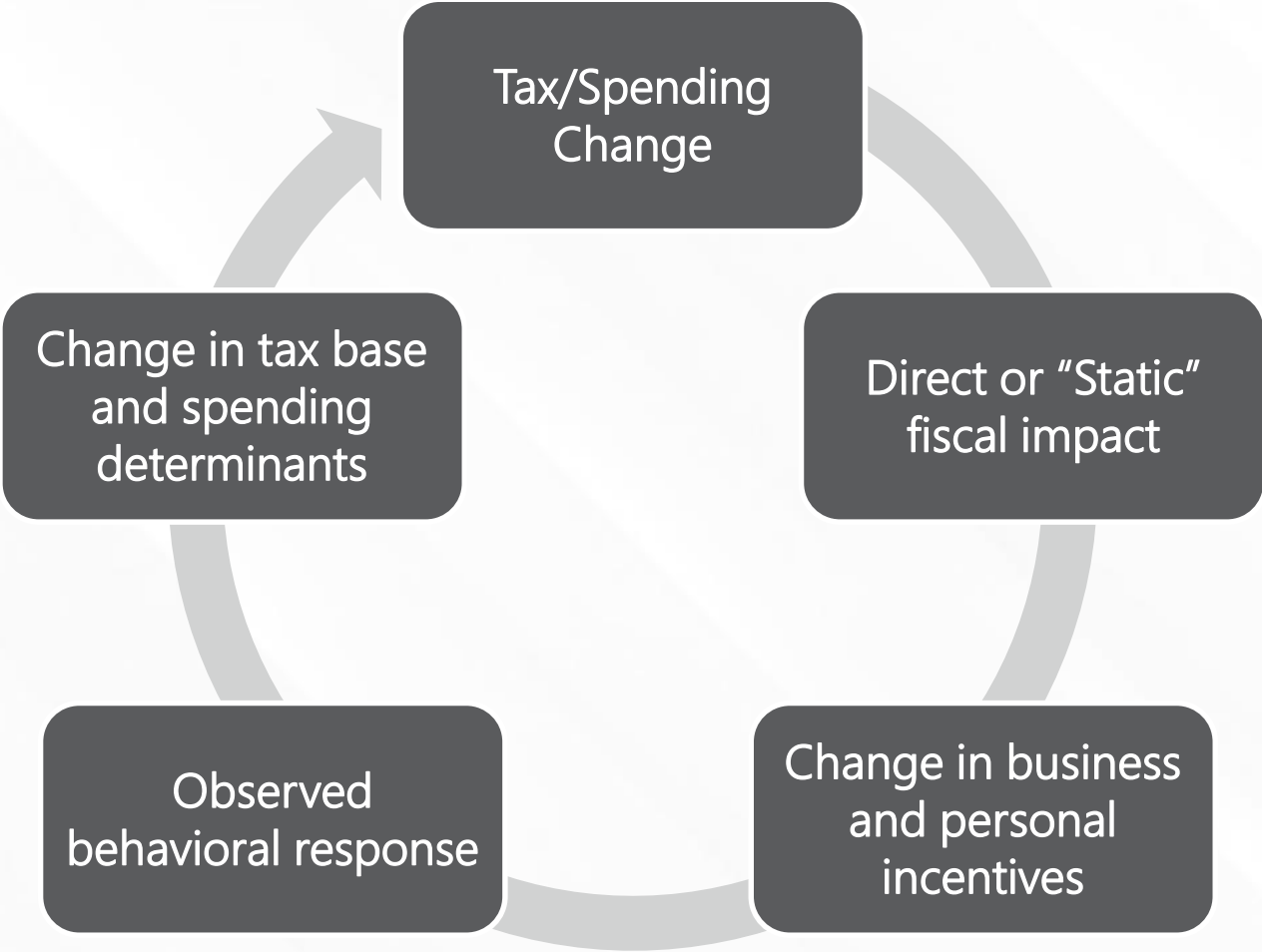
REMI Tax-PI is the only commercially available dynamic macroeconomic and fiscal impact analysis tool.

Tax-PI allows users to understand the deep linkages and relationship between a budget and its economic foundation.



what does **REMI** say?sm

Dynamic Fiscal Analysis



Key Advantages of Tax-PI

Dynamic Evaluations

The credible economic and fiscal impacts produced using Tax-PI gives decision-makers the confidence to enact state, local, and regional policies.

Customized Models

Every model is custom-made and fully equipped with the complete inter-industry relationships found within your local, state, and regional economies.

Intuitive Software

Tax-PI is a desktop application with extensive user service and support functions. These are combined with unlimited assistance and professional training provided by REMI's expert staff members.

Arkansas House Bill 1240 -- To amend the INCOME TAX relating to certain trusts; to preserve certain trust assets; and to exempt certain trusts from INCOME TAX.



Inputs

- Incentivize citizens of Arkansas to establish trusts in-state for administration and management.
- Benefits to the State: Financial Services Sector, Increase Competitiveness
 - Increase in Financial Services Activity "Output"
 - Change in Static Score "Custom Revenues"

Policy Variable Inputs															
Active	Edit	Group													
<input checked="" type="checkbox"/>			Increase in Financial Services Activity												
Active	View	Category	Detail	Region	Units	2021	2022	2023	2024	2025	2026	2027	2028	2029	
<input checked="" type="checkbox"/>		Output	Industry Sales: Securities, commodity contracts, other invest	Utah	Nominal \$ (M)	0	0	0	0	15	15	15	15	15	
<input checked="" type="checkbox"/>			Static Score												
Active	View	Category	Detail	Region	Units	2021	2022	2023	2024	2025	2026	2027	2028	2029	
<input checked="" type="checkbox"/>		Custom Revenues	Static Score	Utah	Nominal \$ (M)	0	0	0	0	-12	-12	-12	-12	-12	

Arkansas House Bill 1240 Continued

Targeted Results

- Financial Services Sector Employment
- Fiscal Effects – Revenues and Expenditures
- Year over year dynamic analysis capabilities

[hunting](#)
[Mining](#)
[Utilities](#)
[Construction](#)
[Manufacturing](#)
[Wholesale trade](#)
[Retail trade](#)
[Transportation and warehousing](#)
[Information](#)

Finance and insurance

Industry	Comparison Type	Forecast	Comparison Forecast
Securities, commodity contracts, other investments; Funds, trusts, other financial vehicles	Differences	State of Arkansas HB 1240	Arkansas HB 1240 DEM

Category	Units	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Total Employment	Individuals (Jobs)	+262.306	+255.524	+249.477	+243.982	+238.672	+233.422	+227.639	+221.951	+216.333	+210.896
Intermediate Demand Employment	Individuals (Jobs)	+16.665	+15.562	+14.644	+13.817	+13.067	+12.383	+11.695	+11.068	+10.493	+9.959

Tax-PI

Budget

Revenues

Expenditures

Budget

Comparison Type	Forecast	Comparison Forecast
Differences	State of Arkansas HB 1240	Arkansas HB 1240 DEM

Category	Units	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
Total Revenues	Millions of Current Dollars	-5.499	-10.953	-10.843	-10.740	-10.686	-10.670	-10.678	-10.693	-10.702	-10.703
Total Expenditures	Millions of Current Dollars	+0.185	+0.515	+0.782	+1.007	+1.186	+1.323	+1.432	+1.519	+1.594	+1.663

Arkansas House Bill 1160 – Amendment to increase the SALES and USE TAX exemption for a used motor vehicle below price tag thresholds.



Inputs

- Direct Payment of sales tax from Consumer -- Tax **not** due for:
 - New motor vehicle, or a new or used trailer less than \$4,000
 - Used motor vehicle less than \$7,500
 - Used motor vehicle 2 years after act of \$10,000
- Increase Sales Tax Exemption “Used Car Sales Tax”

Policy Variable Inputs															
Active	Edit	Group													
<input checked="" type="checkbox"/>				Increase Sales Tax Exemption											
Active	View	Category	Detail	Region	Units	2021	2022	2023	2024	2025	2026	2027	2028		
<input checked="" type="checkbox"/>		Custom Revenues	Used Car Sales Tax	Utah	Nominal \$ (M)	0	0	0	0	-25	-25	-25	-25		

Arkansas House Bill 1160 Continued



Targeted Results

- Fiscal – Revenue and Expenditure effects
- Employment shocks by Industry
- Year over year dynamic analysis capabilities

Tax-PI											
Budget											
Comparison Type		Forecast		Comparison Forecast							
Differences		Arkansas HB 1160 DEMO		State of Arkansas DEM							
Category	Units	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
Total Revenues	Millions of Current Dollars	-8.911	-17.651	-17.325	-17.104	-17.013	-17.001	-17.031	-17.060	-17.072	-17.064
Total Expenditures	Millions of Current Dollars	+0.411	+1.162	+1.792	+2.315	+2.725	+3.050	+3.317	+3.540	+3.739	+3.920

Key Results											
By Industry											
Employment by Industry											
Comparison Type		Forecast		Comparison Forecast							
Employment		Arkansas HB 1160 DEMO		State of Arkansas DEM							
Industry	Units	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
All Industries	Individuals (Jobs)	+644.053	+679.340	+689.952	+667.277	+632.057	+587.677	+546.942	+512.187	+483.668	+460.866
Retail trade	Individuals (Jobs)	+173.063	+167.099	+161.781	+154.309	+146.756	+138.706	+131.579	+125.195	+119.419	+114.173
Wholesale trade	Individuals (Jobs)	+88.491	+85.823	+83.048	+79.771	+76.463	+73.102	+69.706	+66.519	+63.526	+60.714
Construction	Individuals (Jobs)	+59.829	+79.620	+83.899	+77.725	+66.527	+53.207	+40.577	+29.843	+21.443	+15.299
Administrative and support services	Individuals (Jobs)	+36.005	+36.528	+36.516	+35.236	+33.592	+31.610	+29.852	+28.392	+27.210	+26.280

Thank you for attending!

For more information, please contact
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