

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

# A Bill

HOUSE BILL 1015

4  
5 By: Representative A. Collins  
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## For An Act To Be Entitled

8  
9 AN ACT TO AMEND THE INDIVIDUAL INCOME TAX LAWS; TO  
10 CREATE AN INCOME TAX CREDIT FOR DEPENDENT CHILDREN;  
11 AND FOR OTHER PURPOSES.  
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## Subtitle

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15 TO AMEND THE INDIVIDUAL INCOME TAX LAWS;  
16 AND TO CREATE AN INCOME TAX CREDIT FOR  
17 DEPENDENT CHILDREN.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code Title 26, Chapter 51, Subchapter 5, is  
22 amended to add an additional section to read as follows:

23 26-51-518. Dependent child tax credit.

24 (a) As used in this section, "qualifying child" means the same as  
25 defined in 26 U.S.C. §152(c), as it existed on January 1, 2025, except that  
26 "qualifying child" only includes an individual who has not attained the age  
27 of eighteen (18) as of the end of the taxable year.

28 (b)(1) There is allowed an income tax credit against the income tax  
29 imposed by this chapter in the amount of three hundred dollars (\$300) per  
30 qualifying child for an individual taxpayer having net income up to one  
31 hundred thousand dollars (\$100,000) or taxpayers filing a joint income tax  
32 return having a net income up to two hundred thousand dollars (\$200,000).

33 (2) If both spouses filing separately on the same income tax  
34 return claim the income tax credit allowed under this section, the amount of  
35 the income tax credit shall be allocated in equal amounts between the  
36 taxpayers.



1           (c)(1) The Secretary of the Department of Finance and Administration  
2 shall adjust annually the credit provided under subsection (b) of this  
3 section by the cost-of-living adjustment for the current calendar year,  
4 rounding the amount to the nearest whole dollar.

5           (2)(A) For the purposes of subdivision (c)(1) of this section,  
6 the cost-of-living adjustment for a calendar year is the percentage, if any,  
7 by which the Consumer Price Index for the current calendar year exceeds the  
8 Consumer Price Index for the preceding calendar year.

9           (B) If the Consumer Price Index for the current calendar  
10 year does not exceed the Consumer Price Index for the preceding calendar  
11 year, the credit shall not be adjusted.

12           (3) As used in this subsection, "Consumer Price Index" means the  
13 last Consumer Price Index for All Urban Consumers published by the United  
14 States Department of Labor.

15           (d) If the amount of the income tax credit allowed under this section  
16 exceeds the taxpayer's income tax liability, the excess shall be refunded to  
17 the taxpayer.

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

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