

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

A Bill

HOUSE BILL 1985

5 By: Representative D. Garner
6
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For An Act To Be Entitled

9 AN ACT TO CREATE THE ARKANSAS RENTER REFUND ACT; TO
10 PROVIDE AN INCOME TAX CREDIT FOR CERTAIN TAXPAYERS
11 WHO ARE RESIDENTIAL TENANTS; AND FOR OTHER PURPOSES.
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Subtitle

15 TO CREATE THE ARKANSAS RENTER REFUND
16 ACT; AND TO PROVIDE AN INCOME TAX CREDIT
17 FOR CERTAIN TAXPAYERS WHO ARE
18 RESIDENTIAL TENANTS.
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. DO NOT CODIFY. Title.

23 This act shall be known and may be cited as the "Arkansas Renter Refund
24 Act".
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26 SECTION 2. Arkansas Code Title 26, Chapter 51, Subchapter 5, is
27 amended to add an additional section to read as follows:

28 26-51-518. Homestead credit for renters.

29 (a) There is allowed an income tax credit against the income tax
30 imposed by this chapter in the amount of five hundred dollars (\$500) for a
31 taxpayer who:

32 (1) Rents his or her primary residence as a residential tenant
33 for the entire tax year;

34 (2) Has a net income of less than forty thousand dollars
35 (\$40,000) for the tax year; and

36 (3) Is not claimed as a dependent on another taxpayer's income



1 tax return.

2 (b) The amount of the income tax credit under this section that may be
3 claimed by the taxpayer in a tax year shall not exceed the amount of income
4 tax due by the taxpayer.

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

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