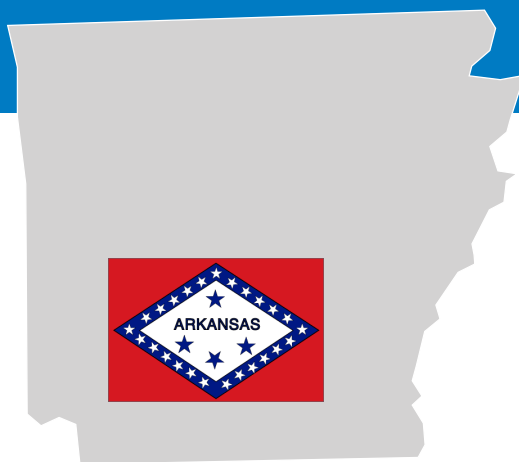


Tax Facts & Comparisons

Arkansas

Taxes are complicated. Each state's tax code is a multifaceted system with many moving parts, and Arkansas is no exception. The Tax Foundation produces a number of rankings that evaluate states on tax structures and overall tax burdens. Here's how Arkansas scores.



Tax Foundation Rankings of Arkansas

State Business Tax Climate Index

39th
best

Arkansas ranks 39th out of the 50 states on the Tax Foundation's 2014 *State Business Tax Climate Index*, which annually compares the states' tax systems on over 100 variables that impact business. Last year, Arkansas ranked 35th.

Arkansas's individual income tax ranks 28th best, its corporate income tax ranks 40th best, its sales tax ranks 44th best, its property tax ranks 19th best, and its unemployment insurance tax ranks 39th best.

Neighboring states' ranks: Texas (10th), Oklahoma (32nd), Missouri (17th), Tennessee (15th), Mississippi (18th), Louisiana (35th)

State-Local Tax Burdens Rank

12th
highest

Estimated at 10.3% of income, Arkansas's 2011 state-local tax burden ranks 12th highest nationally, above the national average of 9.8%. Arkansas taxpayers pay \$3,405 per capita in state and local taxes.

Neighboring states' ranks: Texas (47th), Oklahoma (39th), Missouri (33rd), Tennessee (45th), Mississippi (40th), Louisiana (46th)

Tax Freedom Day®

2015
April
14

In 2014, Arkansas taxpayers worked 104 days into the year until April 14 to pay their total tax bill, ranking 13th highest nationally.

That's 10 days before national Tax Freedom Day (April 21), the day when Americans finally have earned enough money to pay their total tax bill for the year.

More at taxfoundation.org/publications

Arkansas Taxes at a Glance

Each state uses a variety of tax tools to raise revenue, including individual income taxes, property taxes, and sales taxes, among others. Here are some facts on how Arkansas structures their different tax types:

Note: All collections listed on this page are combined state and local tax collections as reported by the Census Bureau's Government Finance Division. For all ranks, 1 indicates highest among the 50 states.

General Info

		Rank	Nat. Avg.
Income per capita	\$33,182	48th	\$43,735
Federal aid as % of gen. revenue	33%	22nd	32.8%
State debt per capita	\$4,742	48th	\$3,678

Individual Income Tax

Number of brackets	6
Bottom income bracket rate	0.90%
Bottom bracket kick in	\$0
Top income tax rate	6.90%
Top bracket kick in	\$35,099
Collections per capita (2012)	\$816
Collections rank (2012)	31st

Property Tax

Collections per capita (2012)	\$662
Collections rank (2012)	48th
Property taxes paid as share of owner-occupied housing value (2013)	0.62%
Property taxes paid percent rank (2013)	42nd

Sources of State & Local Tax Collections

	Arkansas	All States.
Property Tax	19%	32%
Sales Tax	36%	23%
Corporate Income Tax	4%	4%
Individual Income Tax	23%	22%
Other	18%	20%

Corporate Income Tax

Number of brackets	6
Top corporate tax rate	6.50%
Collections per capita (2012)	\$137
Collections rank (2012)	20th

Sales Tax

State rate	6.50%
State + average local rate	9.26%
State + average local rank	2nd
Collections per capita (2011)	\$1,271
Collections rank (2011)	13th

Excise Taxes

	Rate	Rank
Gasoline taxes and fees	21.8¢ per gallon	38th
Cigarette taxes	\$1.15 per pack	29th
Spirits taxes	\$6.57 per gallon	19th
Beer taxes	\$0.34 per gallon	18th
Cell phone taxes	13.43%	9th

Other Taxes

	Rate	Exemption
Gross receipts tax	None	N/A
Capital stock tax	0.30%	Unlimited
Inheritance tax	None	N/A
Estate tax	None	N/A

About the Tax Foundation



The Tax Foundation is the nation's leading independent tax policy research organization. Since 1937, our principled research, insightful analysis, and engaged experts have informed smarter tax policy at the federal, state, and local levels. Our Center for

State Tax Policy is routinely relied upon for presentations, testimony, and media appearances on state tax and fiscal policy, and our website is a comprehensive resource for information on tax and spending policy in each U.S. state.

More at taxfoundation.org