

# Impact of rate and bracket changes over time

All State Residents, 2022 Incomes

2022 Income	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
Income	Less than	\$22,000 –	\$37,000 –	\$58,000 –	\$98,000 –	\$218,000 –	\$503,000 –
Range	\$22,000	\$37,000	\$58,000	\$98,000	\$218,000	\$503,000	Or More
Average Income in Group	\$14,000	\$30,000	\$46,000	\$75,000	\$136,000	\$302,000	\$1,551,000

## Snapshot of new tax code with fully phased in 4.9% top rate, 2025

Tax Change as % of Income	+0.2%	+1.0%	+1.4%	+2.0%	+2.6%	+2.9%	+3.3%
Average Tax Change	+28	+304	+648	+1,488	+3,526	+8,773	+51,896

% with Income Tax Increase	21%	53%	71%	89%	94%	98%	99%
Avg. Tax Increase for Those w/ Increase	+130	+576	+910	+1,681	+3,755	+8,981	+52,378
Share of Resident Tax Increase	0%	3%	7%	16%	28%	18%	28%

## Snapshot of Arkansas's Personal Income Tax, 2020

Tax Change as % of Income	+0.4%	+1.3%	+1.7%	+2.4%	+3.1%	+3.5%	+4.0%
Average Tax Change	+53	+397	+792	+1,785	+4,209	+10,506	+62,370

% with Income Tax Increase	24%	59%	80%	90%	94%	98%	99%
Avg. Tax Increase for Those w/ Increase	+219	+676	+993	+1,993	+4,472	+10,756	+62,950
Share of Resident Tax Increase	0%	3%	7%	16%	28%	18%	27%

## Snapshot of Arkansas's Personal Income Tax, 2019

Tax Change as % of Income	+0.4%	+1.4%	+1.7%	+2.3%	+3.0%	+3.5%	+4.0%
Average Tax Change	+59	+411	+775	+1,758	+4,146	+10,441	+62,333

% with Income Tax Increase	24%	57%	76%	89%	93%	98%	100%
Avg. Tax Increase for Those w/ Increase	+243	+718	+1,020	+1,967	+4,446	+10,690	+62,613
Share of Resident Tax Increase	1%	4%	7%	16%	28%	18%	28%

## Snapshot of Arkansas's Personal Income Tax, 2016

Tax Change as % of Income	+0.7%	+1.5%	+1.9%	+2.6%	+3.3%	+3.8%	+4.6%
Average Tax Change	+90	+464	+872	+1,927	+4,469	+11,437	+71,792

% with Income Tax Increase	33%	65%	82%	90%	94%	98%	100%
Avg. Tax Increase for Those w/ Increase	+275	+717	+1,058	+2,135	+4,745	+11,709	+72,115
Share of Resident Tax Increase	1%	4%	7%	15%	27%	18%	29%

## State Tax Change for State Residents (\$1000)

**+2,626,000**

% of Taxpayers w/Increase	66%
% of Bottom 80% with Increase	59%
% of Top 20% with Increase	95%

% of Tax Increase to Bottom 80%	26%
% of Tax Increase to Top 20%	74%

## State Tax Change for State Residents (\$1000)

**+3,165,000**

% of Taxpayers w/Increase	70%
% of Bottom 80% with Increase	63%
% of Top 20% with Increase	95%

% of Tax Increase to Bottom 80%	26%
% of Tax Increase to Top 20%	74%

## State Tax Change for State Residents (\$1000)

**+3,141,000**

% of Taxpayers w/Increase	68%
% of Bottom 80% with Increase	62%
% of Top 20% with Increase	94%

% of Tax Increase to Bottom 80%	26%
% of Tax Increase to Top 20%	74%

## State Tax Change for State Residents (\$1000)

**+3,492,000**

% of Taxpayers w/Increase	73%
% of Bottom 80% with Increase	68%
% of Top 20% with Increase	95%

% of Tax Increase to Bottom 80%	27%
% of Tax Increase to Top 20%	73%

**Snapshot of Arkansas's Personal Income Tax, 2014**

Tax Change as % of Income	+0.7%	+1.7%	+2.1%	+2.9%	+3.6%	+4.0%	+4.9%
Average Tax Change	+96	+500	+964	+2,136	+4,894	+11,990	+76,487

Avg. Tax Increase for Those w/ Increase	+289	+772	+1,170	+2,365	+5,197	+12,275	+76,831
Share of Resident Tax Increase	1%	4%	7%	16%	27%	18%	28%

Source: Institute on Taxation and Economic Policy, May 2022

2022 Income	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
Income Range	Less than \$22,000	\$22,000 – \$37,000	\$37,000 – \$58,000	\$58,000 – \$98,000	\$98,000 – \$218,000	\$218,000 – \$503,000	\$503,000 – Or More
Average Income in Group	\$14,000	\$30,000	\$46,000	\$75,000	\$136,000	\$302,000	\$1,551,000
Share of Resident Tax Increase	1%	4%	7%	16%	27%	18%	28%

2022 Income	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
	\$ 8,060.58	\$ 41,860.94	\$ 80,415.96	\$ 180,311.42	\$ 309,975.23	\$ 200,978.27	\$ 323,397.59
				\$ 310,648.91			

**State Tax Change for State Residents (\$1000)**

**+3,771,000**

% of Bottom 80% with Increase	68%	% of Tax Increase to Bottom 80%	27%
% of Top 20% with Increase	95%	% of Tax Increase to Top 20%	73%

**State Tax Change for State Residents (\$1000)**

**+3,771,000**

+1,145,000