

ARKANSAS INCOME TAX RATE DECLINES TOP RATE STILL HIGH FOR REGION

(March 2020) Arkansas' top income tax rate declined from 6.9% to 6.6% but is still second-highest in the southeast region, trailing only South Carolina (7.0%), according to records from the Federation of State Tax Administrators.¹

South Carolina	7.0%
Arkansas	6.6%
West Virginia	6.5%
Louisiana	6.0%
Georgia	5.75%
Virginia	5.75%
North Carolina	5.25%
Alabama	5.0%
Kentucky	5.0%
Mississippi	5.0%
Tennessee	No income tax
Florida	No income tax

Arkansas also has the highest rate among states that border it.

Arkansas	6.6%
Louisiana	6.0%
Missouri	5.4%
Mississippi	5.0%
Oklahoma	5.0%
Tennessee	No income tax
Texas	No income tax

Arkansas' top rate is set to fall to 5.9% (2021), which would improve the state's position in both categories.

--Greg Kaza

¹ https://www.taxadmin.org/assets/docs/Research/Rates/ind_inc.pdf
The organization serves the principal tax collection agencies of all 50 states.