

# ARKANSAS

OPTION 1: BRING EVERY QUALIFYING CHILD UP TO FULL \$2,000 CREDIT

## WHO BENEFITS?

**672,000 ARKANSAS RESIDENTS**

**45%** of Arkansas Children Under 17, (401,000)

**13%** of Arkansas Adults, (271,000)

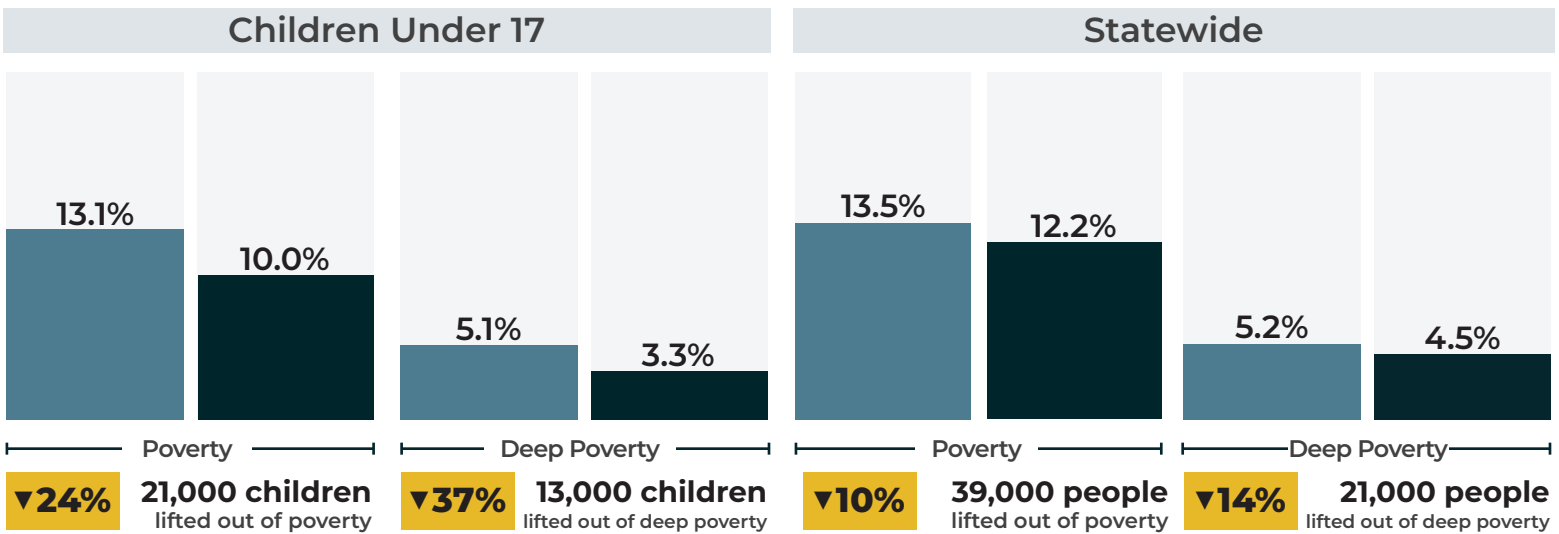
Child poverty reduced by **24%** ↓

Deep child poverty reduced by **37%** ↓

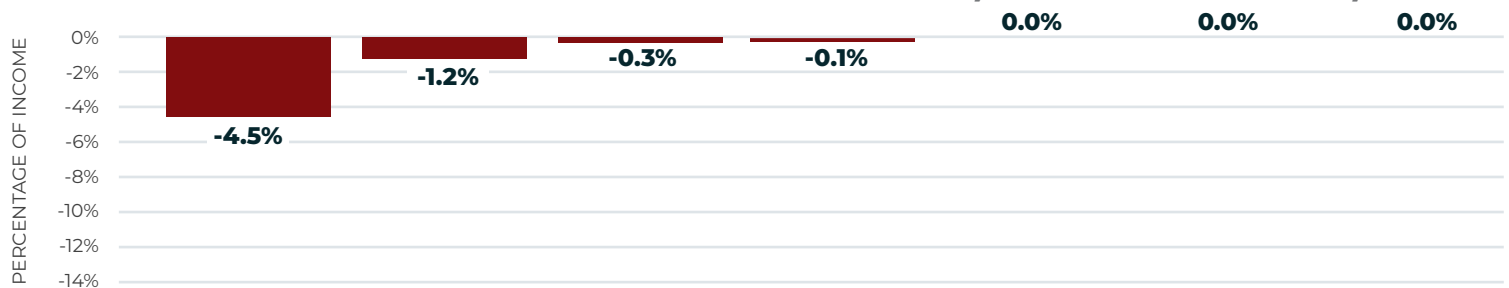
Estimated Total Cost in 2019  
**\$414,000,000**

### POVERTY REDUCTION, 2019

■ PRE-CREDIT ■ POST-CREDIT



### AVERAGE TAX CHANGE AS PERCENTAGE OF INCOME, BY INCOME GROUP, 2019



#### INCOME GROUP

LOWEST 20%    SECOND 20%    MIDDLE 20%    FOURTH 20%    NEXT 15%    NEXT 4%    TOP 1%

#### AVERAGE TAX CUT FOR THOSE BENEFITTING

**\$2,570**    **\$1,350**    **\$1,450**    **\$2,910**

#### SHARE OF TAXPAYERS WITH TAX CUT

39%    24%    10%    3%

INCOME RANGE    <\$22,000    \$22,000 - 36,000    \$36,000 - 56,000    \$56,000 - 94,000    \$94,000 - 205,000    \$205,000 - 456,000    >\$456,000

AVERAGE INCOME    \$13,000    \$30,000    \$45,000    \$72,000    \$128,000    \$279,000    \$1,394,000

# ARKANSAS

OPTION 2: BRING QUALIFYING CHILDREN 6 AND UNDER UP TO \$3,600 AND OLDER CHILDREN TO \$3,000

## WHO BENEFITS? 1,201,000 ARKANSAS RESIDENTS

**75%** of Arkansas Children Under 17, (664,000)

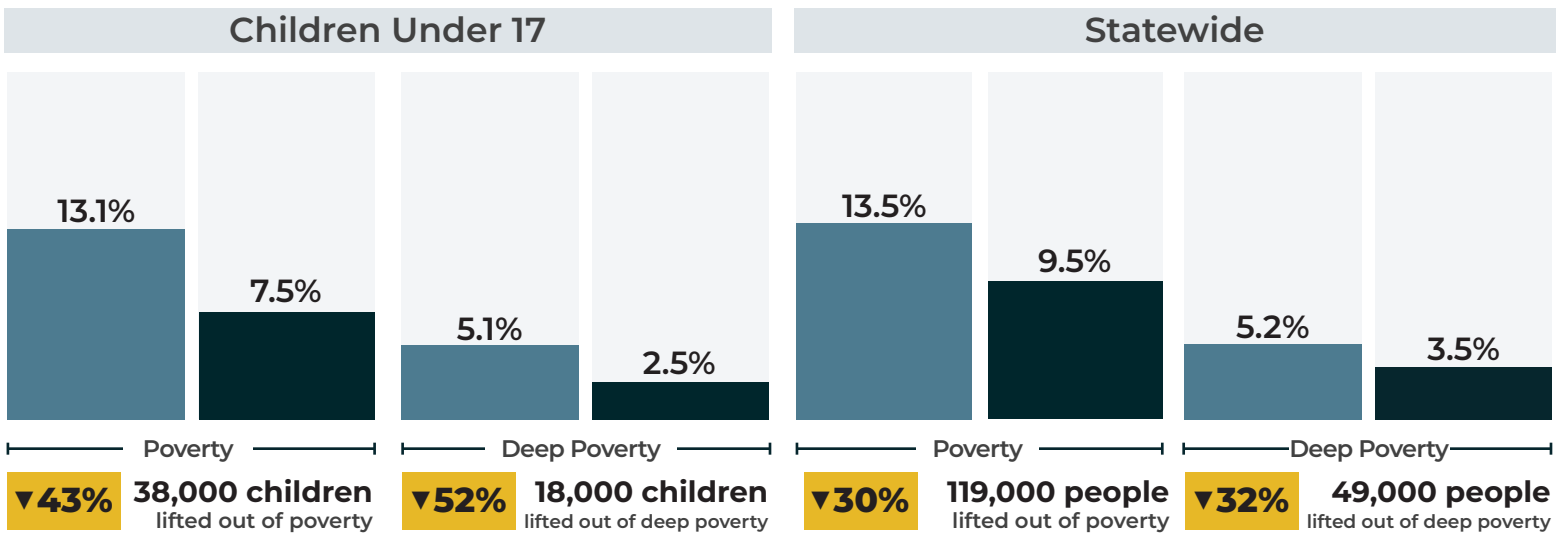
**27%** of Arkansas Adults, (537,000)

Child poverty reduced by **43%** ↓

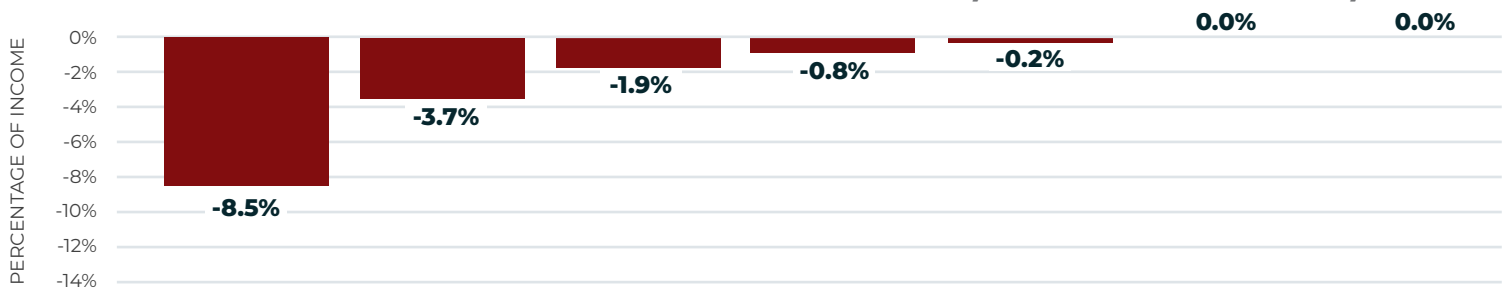
Deep child poverty reduced by **52%** ↓

Estimated Total Cost in 2019  
**\$1,220,000,000**

### POVERTY REDUCTION, 2019 ■ PRE-CREDIT ■ POST-CREDIT



### AVERAGE TAX CHANGE AS PERCENTAGE OF INCOME, BY INCOME GROUP, 2019



| INCOME GROUP                                 | LOWEST 20%     | SECOND 20%        | MIDDLE 20%        | FOURTH 20%        | NEXT 15%           | NEXT 4%             | TOP 1%      |
|--|----------------|-------------------|-------------------|-------------------|--------------------|---------------------|-------------|
| <b>AVERAGE TAX CUT FOR THOSE BENEFITTING</b> | <b>\$4,840</b> | <b>\$3,070</b>    | <b>\$3,040</b>    | <b>\$2,020</b>    | <b>\$2,300</b>     | <b>\$1,080</b>      |             |
| SHARE OF TAXPAYERS WITH TAX CUT              | 25%            | 25%               | 19%               | 13%               | 5%                 | 0%                  |             |
| INCOME RANGE                                 | <\$22,000      | \$22,000 - 36,000 | \$36,000 - 56,000 | \$56,000 - 94,000 | \$94,000 - 205,000 | \$205,000 - 456,000 | >\$456,000  |
| AVERAGE INCOME                               | \$13,000       | \$30,000          | \$45,000          | \$72,000          | \$128,000          | \$279,000           | \$1,394,000 |

Sources: Institute on Taxation and Economic Policy, Columbia Center on Poverty and Social Policy