

6. A is 1,043,478 from 24,000 to divide the 1-st tax rate range difference (24,000÷(0.023-0)). C is
7. 3,529,412 from 60,000 to divide the 2-nd tax rate range difference (60,000÷(0.04-0.023)). D is 588
8. from 84,000 to multiply the 3-rd tax rate range difference (84,000×(0.047-0.04)). B2 is 0.0162 from
9. 0.023-(24,000÷3,529,412). A, B2, C and D are constants.

Their "A", "B2", "C" and "D" are:

Year	Tax rate ranges	YTI at	A	B2	C	D
2025	0-0.015-0.035-0.047	0-\$48,000-	2,400,000			576
2022	0-0.023-0.04-0.051/0.049	0-\$24,000-\$84,000-	1,043,478	0.0162	3,529,412	588
2021	0-0.0322-0.05614-0.059	0-\$24,000-\$84,000-	745,342	0.022624	2,506,266	240
2020	0-0.0323-0.0563-0.066	0-\$24,000-\$84,000-	743,034	0.0227	2,500,000	815

www.dfa.arkansas.gov/images/uploads/incomeTaxOffice/TaxBrackets_2020.pdf in 2020
www.dfa.arkansas.gov/images/uploads/incomeTaxOffice/whformula.pdf

3. AR has existing Withholding Tables (80 pages) and related 72 formulas, which can be eliminated and replaced by the above 2 or 3 formulas for yearly taxable incomes 0-\$60,000- or 0-\$24,000-\$84,000-. Employers can calculate withholding taxes with Standard deductions, exemptions, and tax credits. Taxpayers calculate income taxes for tax returns with actual deductions, exemptions and tax credits.

$$(\text{Incomes} \pm \text{Adjustments} - (\text{Deductions} + \text{Exemptions}) \div F) \times \text{Tax rate} - \text{Tax credits} \div F$$

www.dfa.arkansas.gov/images/uploads/incomeTaxOffice/withholdTaxTablesRegularIncome.pdf (80 pages)

4. Existing tax table (5 pages) or its formula is for people to have one option.

www.dfa.arkansas.gov/images/uploads/incomeTaxOffice/2020_AR1000F_and_AR1000NR_Instructions.pdf

5. For existing tax reforms, tax brackets, tax rates, taxable income ranges and tax goal are considered at the same time, which are affected each other and complex. With this tax simplification, only 4 or 3 tax rates at bottom, \$120,000 and top are considered to adjust to meet a tax revenue goal, which is explained by our 2021 research paper (Page 508). www.scitcentral.com/documents/be5648da4795008d9893b752b9226c8f.pdf

Bill Summary

Bill xxx - This bill matches and simplifies existing 12 tax brackets, 80-page Withholding Tables and 72 (12×6) formulas with 2 brackets and formulas for individual (or corporate) tax system. Payrolls, withholding reports, tax returns, tax analyses, tax reforms and tax projections can be simplified with the 2 brackets instead of the existing 12 brackets. A checking tool is provided to reduce calculation mistakes. For a tax reform, only 4 tax rates at bottom, \$60,000, top are adjusted to meet a tax revenue goal.

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