



**“We take the virus very seriously. It’s a risk. It causes death. But you can’t cloister yourself at home. That is contrary to the American spirit.”**

— Gov. Asa Hutchinson, May 24, 2020, on Fox News Sunday

#### Arkansas ED Commission

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[arkansasedc.com](http://arkansasedc.com)

# Arkansas

Pop. (2020): 3,107,082

Median household income (2020): \$46,872

Credit Rating: AA/Stable

Pop. growth 2020–2025: 0.53%

Median age (2020): 39

Right-to-work state: Yes

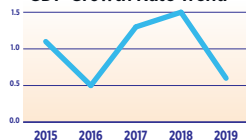
## Legislative Update

- Effective June 29, 2020, businesses that collaborate with state community colleges or universities for training or research can generate income tax credits equal to 33% of the contribution. The credit was expanded by the legislature to include cash donations to schools, in addition now to in-kind donations, to purchase machinery or equipment. The credit can offset up to 100% of Arkansas income tax.
- Arkansas received \$1.25 billion through the CARES Act. In addition to supports for schools, businesses and health centers, the Arkansas Legislative Council approved the release of up to \$150 million in spending authority to use CARES funds to reimburse cities and counties for coronavirus-related expenses.
- Gov. Hutchinson's pending budget proposal, released Nov. 10, calls for reducing sales taxes on vehicles priced less than \$10,000 from 6.5% to 3.5% and cutting income taxes for new residents to 4.9% for five years. Hutchinson said the tax cut for new residents will help the state's economic development efforts by creating an incentive to move to the state. The plan also includes \$25 million in unspecified tax cuts for low-and-middle-income residents that Hutchinson's office said will be developed with the legislature.

### GDP

**34<sup>th</sup>**

#### GDP Growth Rate Trend



**2019 GDP**  
(in millions of current US\$)  
**\$130,954**



**45<sup>th</sup>**

Business Tax Climate Rank Change 2020–2021: -1



**38<sup>th</sup>**

Higher Ed. R&D Expenditure in \$000s: **311,100**



**18<sup>th</sup>**

Number of NCRCs: **83,353** | Percent Improvement 2019–2020: **3.42%**



**3<sup>rd</sup>**

2020 Workers' Comp Index Rate: **0.9**



**13<sup>th</sup>**

Industrial power cost per kWh: **\$6.07**



**34<sup>th</sup>**

Total Revenue as Share of Total Expenses, FY 2004–2019: **102%**