



**ARKANSAS INDIVIDUAL INCOME TAX  
SCHEDULE OF ADJUSTMENTS**

Primary Name	Primary Social Security Number
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**INSTRUCTIONS**

**Full Year Resident Filers** - Complete columns (A) and (B), if using filing status 4 (married filing separately on the same return). All other filing statuses must complete column (A) only.

**Part Year Resident Filers** - Complete columns (A) and (B), if using filing status 4 (married filing separately on the same return). All other filing statuses must complete column (A) only. Enter only the amount of adjustments attributable to Arkansas in column (C).

**Full Year Nonresident Filers** - Complete columns (A) and (B), if using filing status 4 (married filing separately on the same return). All other filing statuses must complete column (A) only. If an amount is entered in column (C), attach explanation.

Enter the total of each column on Line 18 of this form and on Line 22 of AR1000F or AR1000NR.

**See additional instructions on the reverse side of this form.**

		(A) Primary/Joint Adjustments	(B) Spouse's Adjustments Status 4 Only	(C) Arkansas Adjustments Only
1. Border city exemption: (Attach Form AR-TX).....	1	00	00	00
2. Tuition Savings Program: (See Instructions).....	2	00	00	00
3. Payments to IRA: (See Instructions).....	3	00	00	00
4. Payments to MSA: (See Instructions).....	4	00	00	00
5. Payments to HSA: (Attach federal Form 8889).....	5	00	00	00
6. Deduction for interest paid on student loans: (See Instructions).....	6	00	00	00
7. Contributions to Intergenerational Trust: (See Instructions).....	7	00	00	00
8. Moving expenses: (Attach federal Form 3903).....	8	00	00	00
9. Self-employed health insurance deduction: (See Instructions).....	9	00	00	00
10. KEOGH, Self-employed SEP and Simple Plans:.....	10	00	00	00
11. Forfeited interest penalty for premature withdrawal:.....	11	00	00	00
12. Alimony/Sep. Maint. paid to: Name: _____ SSN: _____	12	00	00	00
13. Support for individuals with permanent disabilities: (Attach Form AR1000DC).....	13	00	00	00
14. Organ Donor Deduction: (Attach Form AR1000OD).....	14	00	00	00
15. Military Reserve Expenses:.....	15	00	00	00
16. Reforestation Deduction:.....	16	00	00	00
17. Teachers Qualified Classroom Investment Expense: (Attach Form AR1000CE).....	17	00	00	00
18. TOTAL ADJUSTMENTS: (Enter here and on AR1000F/AR1000NR, Line 22).....	18	00	00	00

**NOTE:** Do not enter amounts from categories that are not printed on this form. See instructions for additional information.



## **AR1000ADJ INSTRUCTIONS**

**LINE 1.** To claim the Texarkana exemption, you must file a return and report all Arkansas income you received during the year. Attach **AR-TX Form**. (**AR-TX Form is supplied by your employer.**) The **AR-TX Form** is not required for non wage income such as interest, dividends, Schedule C, Schedule F, Schedule E or retirement. Additional information may be required if an adjustment for these types of income is allowed.

**NOTE:** Taxpayers who claim this exemption must file using their street address in Texarkana, Arkansas or Texarkana, Texas. If you use a Post Office Box, this exemption will not be allowed.

If you lived within the city limits of Texarkana, Arkansas, you are allowed a full exemption from Arkansas income tax. Part year Texarkana residents claim the exemption only on income earned while a resident of Texarkana, Arkansas.

If you lived in the city limits of Texarkana, Texas, you may deduct the income you earned in the city limits of Texarkana, Arkansas. All other Arkansas income is taxable to you.

**LINE 2.** If you made contributions to a tuition savings account established under the Arkansas Tax Deferred Tuition Savings Program enter the amount here. The deductible contribution cannot exceed \$5,000 per taxpayer. If you contribute more than \$5,000 in a tax year, you can carry forward the amount over \$5,000 to the next 4 succeeding tax years. The deductible contributions for a tax deferred tuition savings program established by another state that is rolled-over into an Arkansas Tax Deferred Tuition Savings program shall not exceed \$7,500 per taxpayer in the tax year in which it was rolled provided that the rolled-over amount was not previously deducted in computing Arkansas taxable income in a prior year. For Tuition Savings Programs established in other states, a deduction of up to \$3,000 is allowed if the amount is not deducted on the other state's income taxes. Qualified withdrawals from a tuition savings account established under the Arkansas Tax Deferred Tuition Savings Program or a tax-deferred tuition savings program established by another state will be exempt from Arkansas income tax with respect to the designated beneficiary's income.

**LINE 3.** Contribution to an Individual Retirement Account (IRA). If you contributed to your own IRA, certain limitations may apply to the amount you may use as an adjustment to income. If neither you nor your spouse was covered by an employer provided retirement plan, the entire contribution is deductible up to \$5,500 each for all filing statuses. If either you or your spouse was covered by such a plan, the amount of the deduction depends on the amount of your Adjusted Gross Income (AGI) before the IRA deduction, as shown in the table on [page 18 of the booklet](#). Use this table along with your Arkansas AGI to determine your

allowable deduction. Catch up Contributions - Individuals who turned 50 before the close of the tax year may increase the maximum permitted annual contribution by up to \$1,000.

**LINE 4.** Contribution to an Archer Medical Savings account (MSA). An MSA is a trust or custodial account that is created or organized exclusively for the purpose of paying the qualified medical expenses of the taxpayer (account holder) and the taxpayer's spouse and/or dependents. To be eligible, a taxpayer must have had insurance coverage under a high deductible health plan (HDHP) only. A HDHP will have the following deductions and limitations: (1) for self-only coverage, the minimum deductible is \$2,250, maximum deductible is \$3,350 and the maximum out of pocket expense is \$4,500, and (2) for family coverage, the minimum deductible is \$4,500, maximum deductible is \$6,750 and the maximum out of pocket expense is \$8,250. The contribution limitation for any month is the amount equal to 1/12 of 65% of the annual deductible for an individual with self-only coverage and 1/12 of 75% of the annual deductible for family coverage. New Archer MSAs may not be established after 2007 but contributions can be made to existing accounts.

**LINE 5.** Contribution to a Health Savings Account (HSA). To be eligible, a taxpayer must have had insurance coverage under a HDHP only. A HDHP will have the following deductions and limitations: (1) for self-only coverage, the minimum deductible is \$1,300 and the maximum out of pocket expense is \$6,550, and (2) for family coverage, the minimum deductible is \$2,600 and the maximum out of pocket expense is \$13,100. You can make pre-tax contributions of up to \$3,400 each year (\$6,750 for families) to cover health care costs. Individuals who reached age 55 by the end of the tax year can increase their annual contribution by \$1,000 for 2017. Maximum contributions allowed to an HSA are reduced by any contributions made to an Archer MSA. Attach federal Form 8889.

**LINE 6.** You may take an adjustment for interest paid on student loans if all of the following apply:

1. You paid interest in 2017 on a qualified student loan.
2. Your filing status is any status other than married filing separately on different returns (Status 5).
3. Your AGI is less than: \$80,000 if filing Status 1, 3, or 6; \$165,000 if filing Status 2 or 4. Status 4 filers, note that this is a combined income amount.
4. You are not claimed as a dependent on another taxpayer's 2017 tax return.

Figure your allowable deduction using the worksheet on page 18 of the booklet. **Do not enter more than \$2,500 on AR1000ADJ.**

**LINE 7.** Contributions made to a long-term intergenerational trust. This is a trust established for an individual under age 18 to provide funds for the minor's retirement. The trustee must be a resident of Arkansas and cannot distribute any of the trust funds to the beneficiary until the

beneficiary reaches age 55. Contributions are limited to \$4,000 per year.

**LINE 8.** Employees and self-employed persons can deduct certain moving expenses incurred in 2017.

You can take this deduction if you moved for your job or business and added at least fifty (50) miles to the distance from your old home to your workplace. If you had no former workplace, your new workplace must be at least 50 miles from your old home. (Attach a completed copy of federal Form 3903.)

If you were reimbursed for any moving expenses and the amount was included on your W-2, report this amount as income on Form **AR1000F/AR1000NR**, Line 8.

**LINE 9.** If you were self-employed and had a net profit for 2017, you may be able to deduct part of the amount paid for health insurance for yourself, your spouse, and/or dependents. Complete the worksheet on page 19 of the booklet to determine your deduction.

**LINE 10.** If you were self-employed and contributed to a "Keogh", H.R. 10 retirement plan, or a SIMPLE plan, enter the total contributions. The amount of the deduction depends upon the type of plan.

**LINE 11.** Enter the total penalties paid for early withdrawal of certificates of deposit.

**LINE 12.** If you paid alimony or separate maintenance as the result of a court order, enter the total amount. Enter the name and Social Security Number of the person you paid.

**LINE 13.** If you have an individual with disabilities who qualifies for the deduction you can take an adjustment from income of \$500 for each individual with disabilities. Attach Form **AR1000DC**.

**LINE 14.** If you paid unreimbursed expenses for yourself or one of your dependents related to the donation of an organ you may take a tax deduction up to \$10,000. The deduction does not apply to organs harvested from a deceased donor. For more details, see the Form **AR1000-OD**. If you qualify, complete and attach the Form **AR1000-OD**.

**LINE 15.** If you have military reserve expenses, enter the total amount.

**LINE 16.** If you have reforestation deductions, enter the total amount.

**LINE 17.** If you are a teacher and have unreimbursed expenses for your classroom, you may be able to claim a tax deduction. For more details, see the Form **AR1000CE**. If you qualify, complete and attach the Form **AR1000CE**.

**LINE 18.** Total Adjustments. Add Lines 1 through 17 and enter on this line and on Forms **AR1000F** or **AR1000NR**, Line 22.