



# ARKANSAS AUTOMOBILE DEALERS ASSOCIATION

December 20, 2021

## DEALERSHIP INFORMATIONAL ADVISORY **COVID-19 Updates #52**



### **FEDERAL COURT LIFTS STAY OF OSHA'S "VAX OR TEXT" MANDATE (STAY TUNED)**

Late Friday, a divided three-judge panel of the U.S. Court of Appeals for the Sixth Circuit dissolved the Fifth Circuit's stay of the Occupational Safety and Health Administration's "Vax or Test" Emergency Temporary. This ruling reinstates the Vax or Test Mandate for employees with at least 100 workers.

The 6th Circuit's decision on the OSHA rule is not expected to be the final word. Already, several motions requesting a new emergency stay have been filed with the U.S. Supreme Court. AADA will continue to update members as the situation evolves.

OSHA has stated that it will exercise enforcement discretion with respect to the compliance dates of the ETS. OSHA will not issue citations for noncompliance with any requirements of the ETS before **January 10** and will not issue citations for noncompliance with the standard's testing requirements before **February 9**, so long as an employer is exercising reasonable, good-faith efforts to come into compliance with the standard.

AADA recommends that dealers continue to review the requirements in [OSHA's ETS](#) and should consult with their counsel as to what steps toward compliance, if any, they should take at this point. In that regard, dealers are directed to the NADA webinar [OSHA's New COVID-19 Employer Vaccine-or-Test Mandate: A Summary for Franchised Dealerships](#).

Businesses may at any time voluntarily adopt a vaccine and test mandate, so long as they comply with all applicable federal, state and local laws (including anti-discrimination laws). Questions regarding the adoption of a voluntary policy or on whether to continue to prepare for compliance with the ETS should be addressed to your individual counsel. General questions on the ETS or on the 6<sup>th</sup> Circuit's deliberations can be directed to [regulatoryaffairs@nada.org](mailto:regulatoryaffairs@nada.org).

---



## GENERAL ASSEMBLY PASSES TAX CUT

The 93rd Arkansas General Assembly recently adjourned the 2nd Extraordinary Session and passed a tax cut measure that will reduce the top personal and corporate income tax rates, consolidate the low and middle-income tax tables, and create a non-refundable low-income tax credit.

The Legislature next convenes February 14, 2022, for the fiscal session.

### *TAX CUT MEASURE*

By 2025, the tax cut will amount to \$500 million in annual tax relief for Arkansans. The measure reduces the top individual tax rate from 5.9% to 4.9% in the next four years. The current top corporate rate is already set to drop to 5.9% on January 1, 2022 (per the existing 2019 law change). Under the bill passed this week, the top corporate rate will drop to 5.7% on January 1, 2023; 5.5% January 1, 2024, and 5.3% January 2025. These reductions only happen if no funds are transferred out of the Catastrophic Reserve Fund during certain periods.

Additionally, these bills reduce the current three individual tax tables to two by combining the lower and middle-income tables, effective January 1, 2022. The new table will apply to those with net taxable income up to \$84,500 per year. The high-income table will apply to those with taxable incomes above \$84,500. The top rate would fall from 5.9% to 5.5% on January 1; 5.3% on January 1, 2023; 5.1% on January 1, 2024, and 4.9% in January of 2025. Again, this is if no funds are transferred from the Catastrophic Reserve Fund.

Governor Hutchinson signed this measure into law.

---

## STATE OF ARKANSAS AND AADA HOLIDAY HOURS

State government offices, as well as the AADA office, will be closed on Thursday, December 23 and Friday, December 24 in observance of the Christmas Eve and Christmas Day holidays. All offices will resume normal business hours on Monday, December 27.

Additionally, both state government offices and AADA will be closed on Friday, December 31 in observance of the New Year's Day holiday.

We wish everyone a safe and Merry Christmas!

---

## ADDITIONAL AND HELPFUL LINKS

If you have any questions about this bulletin please don't hesitate to call, (501) 372-2596, or email Greg Kirkpatrick [greg@arkautodealers.com](mailto:greg@arkautodealers.com).