



Arkansas State Revenue Tax Quarterly

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[DFA HOMEPAGE](#)

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Included in this Issue	Page
Internal Revenue Service (IRS) Tax Tip-Taxpayer Guide to Identity Theft	1-2
Withholding Year End Payment Dates	2-3
Farming and Fishing Income & Arkansas Income Tax Booklets	3
Corporation Income Tax Tips and Reminders	3-4
Helpful Webpage Links, Helpful DFA Revenue Room Numbers, ARSTAR Auto Renewal, & Arkansas Taxpayer Access Point (ATAP)	5
Local Sales and Use Tax Updates, OCSE MyWorkers Website, DFA Revenue Blood Drive, Upcoming State Observed Holidays, & Reporting Suspicious Tax Activities	6
Calendar of Due Dates & Arkansas Excise and Income Tax Due Calendar for 2013	7
Contact Info, Newsletter Sign-Up, Suggestions Corner, Newsletter Sign-Up, & Rule Sign-Up	8

A taxpayer may be unaware that this has happened until you file your tax return later in the filing season and discover that two returns have been filed using the same SSN.

A taxpayer may have been the victim of possible identify theft if he or she receives an IRS notice or letter that states that:

- More than one tax return for you was filed,
- He or she has a balance due, refund offset, or has a collection actions taken against him or her for a year he or she did not file a tax return, or
- IRS records indicate he or she received wages from an employer unknown to him or her.

Internal Revenue Service (IRS) Tax Tip

Taxpayer Guide to Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information without your permission to defraud or to commit other crimes.

An identity thief uses a legitimate taxpayer's identity to illegally file a tax return and claim a refund. The identity thief will use a stolen SSN to file a forged tax return and attempt to get a fraudulent refund early in the filing season.

If a taxpayer receives a notice from the IRS, he or she should respond immediately. If a taxpayer believes someone may have used his or her SSN illegally, please notify the IRS immediately by responding to the name and number printed on the notice or letter. The taxpayer will need to fill out the IRS Identity Theft Affidavit, [Federal Form 14039](#).

For victims of identity theft who have been in contact with the IRS and have not received a response, please contact the IRS Identity Protection Specialized Unit at 1-800-908-4490.

If taxpayer's tax records are not currently affected by identity theft, but he or she believes he or she may be at risk due to a lost/stolen purse or wallet, questionable credit card activity or credit report, and etc., contact the IRS Identity Protection Specialized Unit at number above.

Arkansas State Revenue Tax Quarterly

The following includes ways to lessen your chances of becoming an identity theft victim:

- ✚ Do not carry your social security card or any document(s) with your SSN on it.
- ✚ Do not give a business your SSN just because they ask. Only supply it when it's required.
- ✚ Protect your financial information.
- ✚ Check your credit report every 12 months.
- ✚ Secure personal information in your home.
- ✚ Protect your personal computers by using firewalls, anti-spam/virus software, update security patches, and change passwords for internet accounts.
- ✚ Do not give personal information over the phone, by fax, through the mail, or on the internet unless you have initiated the contact or you are sure you know who you are dealing with.

The IRS does not initiate contact with taxpayers by email to request personal and financial information.

Visit the following websites for more information on reporting identify theft or finding discrepancies on your credit report:

- [Equifax](#) (1-800-525-6285)
- [Experian](#) (1-888-397-3742)
- [TransUnion](#) (1-800-680-7289)
- [Federal Trade Commission \(FTC\)](#)—(Also contact the FTC toll-free identity theft helpline at 1-877-438-4338 or 877-ID-THEFT).
- [Internet Crime Complaint Center](#)

- Report Phishing at phishing@irs.gov or 1-800-366-4484.
- [IRS Identity Theft Information](#) & [IRS Phishing Information](#).

Information for this article was cited from the *IRS Fact Sheet* press release under the article titled, "Taxpayer Guide to Identity Theft".

If you have concerns about identity theft at the Arkansas Department of Finance and Administration (DFA), feel free to contact Robert Pugh, Tax Audit Supervisor, at 682-7227 or Phil Summers, Senior Tax Auditor, at 682-0424 both in the Individual Income Tax Section.

OFFICE OF INCOME TAX ADMINISTRATION

Withholding Year End Payment Dates

January 31st Due Date

- **Provide Forms 1099 and W-2.** Furnish each employee a completed [Form W-2](#), wage and tax statement. Furnish each other payee a completed [Form 1099](#).
- **File Form AR941A.** File AR941, Employers Annual Report for Income Tax Withheld, and pay any tax due for the previous calendar year.

February 28th Due Date

- **File [Form AR3MAR](#),** Employers Annual Reconciliation of Income Tax Withheld, for the previous calendar year.
- **File [Form AR3PAR](#),** Pension and Annuity Reconciliation of Income Tax Withheld, for the previous calendar year.
- **File paper forms W-2 and ARW3.** File Copy 1 for state, city, or local tax

Arkansas State Revenue Tax Quarterly

departments. File all paper W-2 forms with [Form ARW3](#), Transmittal of Wage and Tax Statements to the Arkansas Withholding Tax Section.

- **File paper 1099 and 1096 forms.** File Copy 1. File the state tax copies of all paper 1099 forms along with a photocopy of [Federal Form 1096](#), Annual Summary and Transmittal of U.S. Information Returns.

Please mail the W2's, 1099's, and Federal Form 1096 to the following address:

**P. O. Box 8055
Little Rock, AR 72203**

- **Provide Form AR1099PT.** Provide each nonresident member of a pass through entity a completed [AR1099PT](#) by the 15th day of the third month following the end of the pass through entity's tax year.
- **File [AR-3Q-TX](#)** (Annual Reconciliation of Texarkana Employee's Exempt Wages) and state copy of AR-TX (Wage Exemption).

April 15th Due Date

- File AR941PT, Pass Through Entity Report for Income Tax Withheld.

For more information on withholding year end payment dates, please go to the following link: [Withholding Year End Payment Dates](#).

OFFICE OF INCOME TAX ADMINISTRATION

Farming and Fishing Income

Farmers report their income and expenses on a federal [Schedule F](#), and fishermen report their income and expenses on a federal [Schedule C](#). The net income or loss is reported on an [AR1000F](#) or [AR1000NR](#).

If at least two thirds of a taxpayer's total gross income was from farming or fishing, he or she may be able to use an exemption for filing his or her tax

return and paying his or her tax instead of making estimated tax payments.

If a taxpayer qualifies for and chooses to use this exemption, he or she must file his or her tax return and pay the entire tax due on or before the 15th day of the third month following the close of the taxpayer's tax year which is March 15th for most taxpayers in order to avoid any penalties for not making estimated tax payments. [Form AR2210](#) must be filed with the taxpayer's tax return stating the taxpayer qualifies for this exemption.

Information for this article was cited from the following link: [Farming and Fishing Income Information](#).

OFFICE OF INCOME TAX ADMINISTRATION

Arkansas Individual Income Tax Booklets

UPDATE

The 2012 individual income tax booklets will again be mailed.

To obtain a booklet, you also have the following options:

- Visit your local revenue office,
- Visit your local library, or
- Call the Arkansas Income Tax Section at (501) 682-1100 (Individual Section) or (800) 882-9275.

OFFICE OF INCOME TAX ADMINISTRATION

Corporation Income Tax Tips and Reminders

- ❖ Arkansas Section 179 expense limitation for 2011 and 2012 is \$25,000 with phase out

Arkansas State Revenue Tax Quarterly

beginning at \$200,000. The federal limit is \$500,000 with phase out beginning at \$2,000,000 for 2011 and \$139,000 with phase out beginning at \$560,000 for 2012.

- ❖ Arkansas has not adopted federal bonus depreciation, and federal [Form 4562](#) should be included as part of the federal tax return. When 100% depreciation or Section 179 deduction above the Arkansas limit is taken on the federal return, the Corporate Income Tax Section needs the taxpayer to complete a Form 4562 on an Arkansas basis or schedules showing the class life, depreciation method, and convention used for assets that claimed 100% federal bonus depreciation or federal Section 179 expense above the Arkansas limit.
- ❖ Federal statutes concerning IRC 179 require the annual limit on Section 179 deduction be applied on a consolidated basis. Arkansas has adopted IRC 179 and therefore applies the limit on a consolidated basis. Arkansas applies the contribution limits on a separate corporation basis for consolidated returns based on Arkansas Code Ann. 26-51-419(b).
- ❖ File amended returns on the correct year forms. For Year Ending (FYE) December 2009 or earlier, file amended returns on Form [AR1100CTX](#) , and for 2010 or later years, file amended returns on Form [AR1100CT](#). Original returns also need to be filed on the correct year forms and all returns should be filed on forms with barcodes on the top.
- ❖ Withholding from partnership distributions and composite returns is only for individual partners, not corporations, and other business partners.
- ❖ For apportioned returns, contribution deductions and limitations are included in apportionment income and may not be deducted as a directly allocated deduction after apportionment.
- ❖ A Qualified Subchapter S Subsidiary (Sub-S) may not file a separate income tax return but must be included in an Arkansas return of the

parent company regardless of whether the corporation chooses to file a Sub-S or a C Corporation return in Arkansas.

- ❖ Form [AR1103](#) must be filed in order for a corporation to be Sub-S in Arkansas, and the Corporation Income Tax Section must have a copy of the federal Sub-S approval letter because Arkansas Code requires corporations to be a federal Sub-S in order to be an Arkansas Sub-S.
- ❖ Late payment penalties are being assessed for taxes paid with returns filed on extension. Penalties will be reduced if return payments are made after the due date but before the return is filed.
- ❖ The new DFA notice of tax adjustment is not an assessment. Proposed assessments are issued on the 1st and 15th of each month and therefore less than 2 weeks after any notice of tax adjustment is sent. Payment of a notice of tax adjustment is unlikely to get processed before a proposed assessment is sent and has resulted in refunds being issued when taxpayers pay both the notice of tax adjustment and the proposed assessment.
- ❖ Include vouchers received from the DFA notices with all check payments in order for the payments to be properly applied.
- ❖ Make sure Arkansas Taxpayer Access Point (ATAP) payments are directed to the correct tax type and payment type.
- ❖ Tax year 2012 corporate income tax booklets will not be mailed this year, and forms can be downloaded from the website at the following webpage: [Corporation Income Tax Forms and Instructions](#). Efile is available for return filing and Electronic Funds Transfer (EFT) is available for payments once approved. Returns can be filed and payments can be made on ATAP.

For more information on corporation income tax tips and reminders in this article, please contact Scott Fryer, Corporation Income Tax Manager, at 501-682-4775.

HELPFUL WEBPAGE LINKS

[INDIVIDUAL INCOME TAX E-FILE](#)

[E-FILE ONLINE PROVIDERS](#)

[INCOME TAX REFUND INQUIRY](#)

[INDIVIDUAL INCOME TAX FILING INFORMATION AND FORMS](#)

[INDIVIDUAL INCOME TAX ACCOUNT CHANGE FORM](#)

[REQUEST FOR COPY OF ARKANSAS TAX RETURNS](#)

[OFFERS IN COMPROMISE \(OIC\) FORMS](#)

[POWER OF ATTORNEY \(POA\) FORM](#)

[CORPORATION INCOME TAX FORMS](#)

[IRS--WHERE'S MY REFUND LINK](#)

[CREDIT CARD PAYMENT INFORMATION](#)

[LIST OF ARKANSAS DFA REVENUE OFFICES & PHONE NUMBERS](#)

[PULASKI COUNTY ASSESSOR'S OFFICE](#)

[ARKANSAS SECRETARY OF STATE'S OFFICE HOMEPAGE](#)

[ARKANSAS CHILD SUPPORT HOMEPAGE](#)

[ARKANSAS DEPARTMENT OF WORKFORCE SERVICES HOMEPAGE](#)

[FEDERAL EMPLOYER IDENTIFICATION NUMBER APPLICATION](#)

[MOTOR FUEL TAX](#)

[SMALL BUSINESS CORPORATE \(SUB-S\) REPORTING FORMS](#)

[SALE OR CLOSURE OF BUSINESS FORM](#)

[TAX CREDITS AND SPECIAL REFUNDS](#)

OFFICE OF MOTOR VEHICLE ADMINISTRATION

Auto Renewal



To renew your vehicle registration, change your address on your vehicle registration, or receive vehicle registration renewals by email, please go to the following link: [ARSTAR](#).

For more information on registration renewal, please contact the Office of Motor Vehicle Administration at 501-682-4692 or email at rev.arstar@dfa.arkansas.gov

HELPFUL DFA REVENUE ROOM NUMBERS

Room 1310	Central Audit District
Room 1360	Collections
Room 1380	Withholding Section
Room 1450	Audit Coordination
Room 2240	Miscellaneous Tax
Room 2250	Corporation Income Tax
Room 2350	Motor Fuel Tax
Room 2360	Hearings and Appeals
Room 2380	Revenue Legal Counsel
Room 2370	Tax Credits/Special Refunds
Room 2460	Problem Resolution & Tax Information Office



ATAP is a **FREE** web-based service that gives taxpayers or their designated representative online access to their tax accounts and offers the following services:

- ❖ Make a payment.
- ❖ Register a business.
- ❖ File a return on-line (except individual income tax).
- ❖ File a return using XML return upload.
- ❖ Change a name on an account.
- ❖ Change an address on an account.
- ❖ Amend a return.
- ❖ Store banking information for use during payment submission.

- ❖ View tax period financial information (tax penalty, interest, credits, balance, & etc.).

- ❖ View payments received.
- ❖ View recent account activity.
- ❖ View correspondence from the department.

The information for this article was cited from the following webpage: [ATAP Information](#).

To sign up on ATAP, please go to: [ATAP Homepage](#).

Arkansas State Revenue Tax Quarterly

.Important: Upcoming Local Sales & Use Tax Changes in Arkansas Counties & Towns

Updates to Local Sales and Use Taxes
Please call 501-682-7104 for Periodic Updates or click on the following link:
[Local Sales and Use Tax Updates](#)

Name	Code	Effective Date	%	Recent Action
Austin	43-02	01/01/13	2.00	Increased
Fort Smith	65-01	01/01/13	2.00	Annexation
Magnolia	14-03	01/01/13	2.375	Increased
Rogers	04-02	01/01/13	2.00	Annexation
Van Buren	17-02	01/01/13	2.00	Increased
Yellville	45-05	01/01/13	2.00	Increased

DFA Revenue



American Red Cross

DFA/Revenue Division is sponsoring an American Red Cross Blood Drive on Wednesday, February 20, 2013, from 9:00 a.m. to 4:00

p.m., in Room 2020 in the Ragland Building.

For more information concerning the American Red Cross Blood Drive on February 20th and how to set up an appointment to donate, please go to the following link: [February 2013 American Red Cross Blood Drive](#).

OFFICE OF CHILD SUPPORT ENFORCEMENT (OCSE)

OCSE MyWorkers Website



Upcoming State Observed Holidays

DFA Revenue offices will be closed for the following state observed holidays:

- ✚ Tuesday, January 1, in observance of New Year's Day.
- ✚ Monday, January 21st, in observance of Dr. Martin Luther King Jr. and Robert E. Lee's Birthdays.
- ✚ Monday, February 18th, in observance of George Washington's Birthday and Daisy Gatson Bates' Day.

OFFICE OF FIELD AUDIT ADMINISTRATION

Reporting Suspicious Tax Activities

To report suspicious tax activities, please go to the following webpage: [Reporting Suspicious Tax Activities](#).

For more information on reporting suspicious activity, please contact the Office of Field Audit by phone at 501-682-4616 or email at fieldAudit@dfa.arkansas.gov.

Arkansas State Revenue Tax Quarterly

Calendar of Due Dates

January

01/14/13—Sales tax (1st monthly prepayment).
01/14/13—Employeee monthly withholding tax, for prior month (EFT filers only).

01/15/13—4th Qtr individual estimated income tax (Based on calendar year filer).

01/15/13—Employee monthly withholding tax, for prior month. Miscellaneous tax (Except Severance Taxes).

1/22/13—Dyed Diesel-Motor Fuel Tax. Sales & Use Tax.
1/24/13—Sales Tax (2nd monthly prepayment).
1/25/13—Motor Fuel Tax (Except IFTA). Severance Tax.
1/31/13—Employee withholding tax report for prior year (Annual filers only). IFTA.

February

02/12/13—Sales Tax (1st monthly prepayment).
02/14/13—Employee monthly withholding tax, for prior month. (EFT filers only).

02/15/13—Employee monthly withholding tax, for prior month. Miscellaneous Tax (Except Severance Taxes).

02/20/13—Dyed Diesel—Motor Fuel Tax. Sales & Use Tax.

02/25/13—Sales Tax (2nd monthly prepayment).
02/25/13—Motor Fuel Tax (Except IFTA). Severance Tax.

02/28/13—Employer’s annual reconciliation of income tax withhold (including W-2’s & 1099’s).

March

03/12/13—Sales Tax (1st monthly prepayment).
03/14/13—Employee monthly withholding tax, for prior month (EFT filers only).

03/15/13—Employee monthly withholding tax, for prior month.

03/15/13—Ark income tax returns (“C” or “S” corporation, check the box partnership, LLC). (Based on calendar year filers; return due date 2 ½ months after end of tax year). Miscellaneous Tax (Except Severance Taxes).

03/20/13—Dyed Diesel—Motor fuel Tax. Sales & Use Tax.

03/25/13—Sales Tax (2nd monthly prepayment).
03/25/13—Motor Fuel Tax (Except IFTA).
03/25/13—Severance Tax.

Through April 16th

04/12/13—Sales Tax (1st monthly prepayment).
04/12/13—Employee monthly withholding tax, for prior month (EFT filers only).

04/12/13—1st Qtr estimated income tax (Based on calendar year filer) (EFT filers only).

04/15/13—Miscellaneous Tax (Except Severance Taxes).
04/15/13—Employee monthly withholding tax, for prior month.

04/15/13—Ark income tax returns (partnership, LLC, individual). (Based on calendar year filers; return due date 3 ½ months after end of tax year). Extension Payment Voucher 5 (Individual Income Tax). 1st Qtr estimated income tax (Based on calendar year filer).

Arkansas Excise and Income Tax Due Date Calendar for 2013

The 2013 Arkansas Excise & Income Tax Due Date Calendar is available at the following link: [2013 Arkansas Excise & Income Tax Due Date Calendar](#).

Contact Info

Corporate Income Tax	501-682-4775
Taxpayer Assistance for Individual Income Tax	501-682-1110 800-882-9275
Sales and Use Tax (Tax Inquiries)	501-682-7104
Motor Fuel Tax	501-682-4880
Problem Resolution and Tax Information Office	501-682-7751
Collections	501-682-5000 501-682-4720
IRS (Taxpayer Advocate)	501-396-5978
IRS Taxpayer Assistance	800-829-1040
IRS Federal Tax Forms	800-829-3676
Revenue Legal Counsel	501-682-7030
Motor Vehicle Administration	501-682-4692
Field Audit Administration	501-682-4616
Driver Services Administration	501-682-7060
Revenue Administration	501-682-7025
Withholding Tax	501-682-7290
Miscellaneous Tax Section	501-682-7187

Suggestions Corner

If you have any suggestions about items to be included on any future newsletters, please email your suggestions to Monica.Carmichael@dfa.arkansas.gov.



The Arkansas State Revenue Tax Quarterly is a publication of the Problem Resolution and Tax Information Office. The newsletter is produced and distributed electronically to tax professionals, businesses, and organizations operating in Arkansas.

To be added or deleted from the e-mail list, contact Monica Carmichael by email at: Monica.Carmichael@dfa.arkansas.gov, or by mail at Problem Resolution and Tax Information Office, Ledbetter Building, Room 2460, P. O. Box 1272, Little Rock, Arkansas 72203-1272.

To view previous Arkansas State Revenue Tax Quarterlies, click on the following link: [Previous Arkansas State Tax Quarterlies](#).

DFA Rule Email Distribution List Sign-Up information

The Problem Resolution and Tax Information Office notifies all interested parties via email when the Revenue Section of DFA promulgates any rules.



To be added to the email distribution list, please email Monica Carmichael at: Monica.Carmichael@dfa.arkansas.gov.

Please state in the email that you would like to be added to the email distribution list to be notified about any changes to DFA's Revenue rules.

The rules (regulations) can be accessed at the following link: [Revenue Rules](#).