



Arkansas State Revenue Tax Quarterly

Mike Beebe, Governor

Arkansas Department of Finance & Administration (DFA)
Revenue Division

Richard A. Weiss, Director
Tim Leathers, Deputy Director/Commissioner of
Revenue

Volume XIX, No. 2

[ARKANSAS DFA HOMEPAGE](#)

April, May, and June 2013

Included in this Issue	Page
Changes in Arkansas Tax Enacted During the 2013 Regular Legislative Session	1
Form AR1103-Election by Small Business Corporation	2
Alcohol Beverage Control (ABC) Due Date & Permit Renewal Information	2&3
Tax Clearance (TC) Letters, Auto Renewal, Arkansas Individual Income Tax Booklets, & Arkansas Taxpayer Access Point (ATAP)	3
Helpful DFA Revenue Room Numbers & Helpful Webpage Links	4
Calendar of Due Dates	4&5
Arkansas Excise and Income Tax Due Calendar for 2013, DFA Revenue Blood Drive, Upcoming State Observed Holidays, OCSE MyWorkers Website Newsletter Sign-Up, & Rule Sign-Up	5
Contact Info, Upcoming Local Sales and Use Tax Updates, Reporting Suspicious Tax Activities, & Suggestions Corner	6

Changes in Arkansas Tax Information Enacted During the 2013 Regular Legislative Session



During the 2013 Regular Legislative Session, a number of acts that affect Arkansas' revenue were enacted. Additional information concerning other acts will be

discussed in future newsletters, including any new rules that may be promulgated as a result of the 2013 Regular Legislative Session. The following is an act that was enacted:

Act 160: This Act allows a taxpayer who has Arkansas delinquent individual income tax for a total of less than two thousand dollars (\$2,000) to enter into an agreement to allow the taxpayer to pay the delinquency in installments. The following criteria must be met in order to allow the agreement:

- The installment agreement is for twelve (12) months or less.
- The installments are to be paid electronically.

Under Act 160, the director has discretion on whether or not to issue a certificate of indebtedness (lien) during the installment agreement period.

Act 160 amends that portion of the Arkansas Tax Procedure Act that allowed a taxpayer who had Arkansas delinquent individual income tax liability for a total of less than one thousand dollars (\$1,000) to enter into an agreement that only allowed the taxpayer six months to pay the delinquent tax in full in installments.

Act 160 will become effective 90 days after the adjournment of the 2013 Regular Legislative Session.

For more information on Act 160, click on the following link: [Act 160 of 2013 Regular Legislative Session](#).

OFFICE OF INCOME TAX

Form AR1103-Election by Small Business Corporation

Qualifying corporations may elect to be treated as a “Small Business (S) Corporation” for Arkansas income tax purposes. The taxpayer must complete Form AR1103 when electing a small business corporation tax status and submit it to the Corporation Income Tax Section.

The purpose of this election is to permit the undistributed taxable income of a small business corporation to be taxed to the shareholders rather than the corporation.

A corporation may elect Subchapter S treatment for Arkansas income tax purposes only if it has elected Subchapter S treatment for federal income tax purposes for the same tax year. A copy of the corporation’s Internal Revenue Service’s (IRS) CP261 form called “NOTICE OF ACCEPTANCE AS AN S-CORPORATION” received from the IRS must be submitted to approve the election on Form AR1103. For more information on IRS Form CP261, go to the following link: [Understanding Your CP261 Notice](#). Also, to view an example of IRS Form CP261, click on the following: [Example of IRS CP261 Form](#).

For an election to be valid, all persons who are shareholders of the corporation on the first day of the corporation’s taxable year or on the day of election, whichever is later, must consent to such an election.

To view and print Form AR1103, go to the following link: [AR1103-Election by Small Business Corporation Form](#).

Information for this article was cited from the [Arkansas DFA’s Small Business Corporate \(Sub-S\) Reporting Forms](#) and the [IRS Website](#).

If you have any questions concerning Form AR1103, Election by Small Business Corporation, please contact the Corporation Income Tax Section at 501-682-4775.

OFFICE OF EXCISE TAX ADMINISTRATION

Alcohol Beverage Control (ABC) Due Date & Permit Renewal Information

On or before June 30th of each calendar year, all permits issued by the Alcohol Beverage Control (ABC) must be renewed as a license requirement. ABC permits are issued through the Sales and Use Tax Section as part of the annual renewal process for those permits. All taxes due to the DFA’s Revenue Division must be cleared in order to renew permits.

DFA notifies the ABC of all taxpayers who are not current in the filing and payment of their tax returns, and DFA also includes taxpayers who have audit balances.

Tax payments must be made through the current reporting period with certified funds. Past due payment amounts should be mailed to P. O. Box 8054, Little Rock, AR 72203. If a taxpayer is unable to pay the full amount due, the taxpayer should contact the Sales Tax Section for additional information.

ABC permit renewals can be renewed online during the middle of May of each year. If you have any questions concerning online ABC permit renewals, please contact the Alcoholic Beverage Control Division at 501-682-1105.

Permit renewal payments can be made with major credit cards such as Visa, MasterCard, and Discover along with eChecks.

If a person fails to renew by June 30th, he or she will be contacted by an ABC enforcement agent and ordered to cease all alcoholic beverage sales and/or service until such time as the permit is renewed. If a person’s permit(s) is under inactive status, please be aware that the permit(s) must still be renewed in order to remain current.

If a permit is renewed after June 30th, a late penalty of one-half the permit renewal fee for each 60 day period of delinquency (or portion thereof), in addition to the renewal fee shall be assessed.

For more information on ABC permit renewals, please click on the following link: [Arkansas Alcoholic Beverage Control Division Permit Renewal Information](#).

Arkansas State Revenue Tax Quarterly

OFFICE OF EXCISE TAX ADMINISTRATION

Tax Clearance (TC) Letters

Obtaining a tax clearance letter before purchasing a business allows the prospective business purchaser an opportunity to verify the tax status of the current owner.

Taxpayers requesting a tax clearance letter can request an authorization for release of tax information form from the Office of Excise Tax Administration by calling 501-682-7200.

Taxpayers can also view and print an authorization for release of tax information form by clicking on the following link: [Authorization for Release of Tax Information Form](#).

The estimated time to receive determination of tax status from the Office of Excise Tax Administration is 48 hours after the receipt of the authorization for release of tax information form.

Information for the article was cited from the following webpage: [Tax Clearance Letter Information](#).

Arkansas Individual Income Tax Booklets

REMINDER NOTICE

To obtain an Arkansas individual income tax booklet, you have the following options:

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

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 MVInformation@dfa.arkansas.gov.



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

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

HELPFUL WEBPAGE LINKS

[INDIVIDUAL INCOME TAX E-FILE](#)

[E-FILE ONLINE PROVIDERS](#)

[INCOME TAX REFUND INQUIRY](#)

[AR-MS TAX EXEMPTION CERTIFICATE FOR MILITARY SPOUSE](#)

[AR-NRMILITARY NON-RESIDENT MILITARY PERSONNEL EXEMPTION FORM](#)

[AR1055-ARKANSAS INDIVIDUAL INCOME TAX REQUEST FOR EXTENSION OF TIME FOR FILING INCOME TAX RETURNS](#)

[AR1000TC-ARKANSAS INDIVIDUAL INCOME TAX SCHEDULE OF TAX CREDITS](#)

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

[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](#)

[GENERAL REVENUE REPORT FOR FEBRUARY \(FY 2013\)](#)

[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](#)

[NOTICE OF TRANSFER OF OWNERSHIP OF A MOTOR VEHICLE](#)

[CERTIFICATE OF TITLE WITH BENEFICIARY](#)

Calendar of Due Dates

April 22nd

04/22/13—Dyed Diesel—Motor Fuel Tax. Sales & Use Tax.

04/24/13—Sales Tax (2nd monthly prepayment).

04/25/13—Motor Fuel Tax (Except IFTA). Severance Tax.

04/30/13—IFTA.

May

05/01/13—Franchise Tax.

05/13/13—Sales Tax (1st monthly prepayment).

05/14/13—Employee monthly withholding tax, for prior month. (EFT filers only).

05/15/13—Employee monthly withholding tax, for prior month. Miscellaneous Tax (Except Severance Taxes).

05/20/13—Dyed Diesel—Motor Fuel Tax. Sales & Use Tax.

05/24/13—Sales Tax (2nd monthly prepayment).

05/27/13—Motor Fuel Tax (Except IFTA). Severance Tax.

June

06/12/13—Sales Tax (1st monthly prepayment).

06/14/13—Employee monthly withholding tax, for prior month (EFT filers only).

06/14/13—2nd Qtr estimated income tax (Based on calendar year filer) (EFT filers only).

06/17/13—Employee monthly withholding tax, for prior month. 2nd Qtr estimated income tax (Based on calendar year filer). Miscellaneous Tax (Except Severance Taxes).

06/20/13—Dyed Diesel—Motor Fuel Tax. Sales & Use Tax.

Arkansas State Revenue Tax Quarterly

06/24/13—Sales Tax (2nd monthly prepayment).
06/25/13—Motor Fuel Tax (Except IFTA). Severance Tax.

Through July 15th

07/12/13—Sales Tax (1st monthly prepayment).
07/12/13—Employee monthly withholding tax, for prior month (EFT filers only).

07/15/13—Employee monthly withholding tax, for prior month. Miscellaneous Tax (Except Severance Taxes).

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](#).

Upcoming State Observed Holidays

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

- ✚ *Monday, May 27th, in observance of Memorial Day.*
- ✚ *Thursday, July 4th, in observance of Independence Day.*



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 Revenue



DFA/Revenue Division is sponsoring an American Red Cross Blood Drive on Wednesday, May 15, 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 May 15th and how to set up an appointment to donate, please go to the following link: [May 2013 American Red Cross Blood Drive](#).

OFFICE OF CHILD SUPPORT ENFORCEMENT (OCSE)

OCSE MyWorkers Website

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](#).

Contact Info

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

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
Coal Hill	36-02	04/01/13	1.00	Enacted
Dermott	09-03	04/01/13	2.50	Increased
DeValls Bluff	59-04	04/01/13	3.00	Increased
Gum Springs	10-05	04/01/13	1.00	Enacted
Junction City	70-05	04/01/13	1.00	Enacted
McRae	73-12	04/01/13	1.00	Enacted
Ola	75-03	04/01/13	2.00	Increased
Strong	70-08	04/01/13	1.00	Enacted
Widener	68-08	04/01/13	1.75	Annexation
Garland County	26-00	04/01/13	1.50	Increased
Independence County	32-00	04/01/13	2.00	Increased

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.

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.