

DFA Arkansas Department of Finance and Administration



Asa Hutchinson, Governor	Arkansas Department of Finance & Administration (DFA) Revenue Division	Larry W. Walther, Director Walter C. Anger, Deputy Director/Commissioner of Revenue
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subject to this tax shall file a monthly return through the Arkansas Taxpayer Access Point electronic filing system. Effective July 1, 2017.

Act 313: Allows Small Farm Wineries located within Arkansas to direct ship wines from the Winery to Arkansas Residents without requiring the purchaser to have made an in person visit to the Winery to initiate the purchase. Effective August 1, 2017

Act 595: Provides for an exemption from sales and use tax on the purchase of an aircraft sold by an Arkansas resident and the aircraft being sold has a certified maximum take-off weight of more than nine thousand five hundred pounds (9,500 lbs.) and will be based outside of the State of Arkansas, notwithstanding the fact that possession of the aircraft may be taken in this state for the sole purpose of removing the aircraft from the state under its own power. Effective August 1, 2017

Office of Sales and Use Tax

Sales Tax Acts

Act 1098: Levies a privilege tax on usable Medical Marijuana at the rate of four percent (4%) sold by a cultivation facility, dispensary, or other marijuana business. Those businesses licensed by Alcohol Beverage Control shall collect and remit the special privilege tax based on the gross receipts or gross proceeds derived from each sale of usable marijuana. The cultivation facility, dispensary, or other marijuana business

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OFFICE OF INCOME TAX

Income Tax Acts

Act 883 – Arkansas taxpayers who make contributions to a tax-deferred tuition savings program established by another state under 26 U.S.C § 529, as it existed on January 1, 2017, may be deducted from the taxpayer's adjusted gross income for the purpose of calculating Arkansas income tax under 26-51-403 (b).

- Deductible contributions for a tax-deferred tuition savings program established by another state, cannot exceed three thousand dollars (\$3,000) per taxpayer per tax year.
- If a taxpayer chooses to roll over tax deductible contributions for a tax-deferred tuition savings program established by another state, as existed on January 1, 2017, cannot exceed seven thousand five hundred dollars (\$7,500) per taxpayer in the tax year in which it was rolled.
- If a taxpayer deducts a contribution to tax-deferred tuition savings program established in another state on another state's income tax, a taxpayer cannot deduct the same contribution for Arkansas income tax purpose.

Effective August 1, 2017

Act 481 – Allows for any unused aggregate amount of money of contributions to an Arkansas Tuition Savings Program that exceeds the maximum deductible contribution amount of five thousand dollars (\$5,000), to be carried forward to the next succeeding four (4) tax years. The maximum deduction allowed for a Tuition Savings Program is five thousand dollar (\$5,000) per taxpayer in any tax year. Effective August 1, 2017

Office of Corporation Income Tax

Corporate Income Tax Acts

Act 881 – Make changes to the notification requirements of the Department of Finance and Administration regarding proposed and final assessments. The notice shall explain to the taxpayer the basis for a proposed assessment; state

that a final assessment will be made, if the taxpayer does not protest the proposed assessment; provide contact information for the taxpayer to use if the taxpayer wants to obtain his or her tax records, including without limitation the facts and evidence supporting the proposal assessment.

The Act also requires that Department of Finance and Administration to notify the taxpayer concerning tax due, deficiency and other notices in the Taxpayer Bill of Rights. The notice shall identify and describe the basis for the tax due and any interest, additional amounts, additions to the tax and assessable penalties; and provide contact information for the taxpayer to use if the taxpayer wants to obtain his or her tax records, including without limitation the facts and evidence supporting the proposed deficiency. Effective August 1, 2017

Act 999 – Allows the Department of Finance and Administration to assess taxpayers when they are issued an erroneous refund. Erroneous refunds (also known as "underpayments") are tax refunds received by a taxpayer that was not entitled to receive the refund. When an erroneously paid refund is issued to a taxpayer, the director will issue a notice of proposed assessment for the amount of the erroneously paid refund, plus the interest and any penalty that may be attributed. The notice of proposed assessment to recover an erroneously paid return will explain the basis for the proposed assessment and will inform the taxpayer of a final assessment to be made if the taxpayer fails to protest the assessment.

An 'erroneously paid refund' cannot be assessed to be recovered after three years (3) from the date of the refund warrant. However, an assessment can be made at any time to recover the 'erroneously paid refund' at any time as a result of fraud or misrepresentation by the taxpayer.

If the Department of Finance and Administration is in error and it resulted in a tax deficiency (the amount of tax owed by a taxpayer that is not paid when due; this includes "underpayment"), in the issuance of an erroneously paid refund, then the penalties and interest are subject to waiver or abatement in accordance with tax procedure.

Effective August 1, 2017

For more information about the each act, please click on the following link: [Arkansas Legislature Act Search](#) or call the Individual Income Tax Section at 501-682-1100 or the Corporate Income Tax Section at 501-682-4775 for additional information.

**OFFICE OF MOTOR VEHICLE
ADMINISTRATION**



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.

OFFICE OF DRIVER SERVICES

Driver Services Acts

Act 706: Amends the law concerning distracted driving. The Act defines a “wireless telecommunication device” as a cellular phone, a text-messaging device, a personal digital assistant, a stand-alone computer or any similar device that can be or is used to write, send, or read text or data through a manual input.” Distracted driving includes using a wireless telecommunication device to manually communicate with a person by text messaging, instant messaging, electronic mail (email) and/or posting to social networking sites. Law enforcement, firefighters, ambulance drivers or EMTs are exempt from the law when performing their official duties. Exempts, people making a telephone call. Adds a penalty for 1st offense of not more than \$250. Each additional offense is punishable by a fine of not more than \$500. If involved in an accident and found to be guilty of distracted driving, then an additional fine of double the standard fine may be assessed by the court. Effective August 1, 2017.

Act 922: Requires the completion of a human trafficking and prevention course; become a Certified Trucker Against Trafficking by completing the free online certification course, offered by the Truckers Against Trafficking. The CDL driver must provide the certificate as evidence of completion to the Department of Finance and Administration’s Revenue Office with his or her application before the issuance or renewal of a Class A Commercial Driver’s License (CDL). This certificate will only need to be presented one time. Effective August 1, 2017.

Act 976: Permits a public defender to use a post office box on their driver’s license instead of the residential address. Effective August 1, 2017.

Act 1012: Allows a restricted driving permit for “Eligible inmates” (parolees). Inmates who are within 180 days of release from the Arkansas Department of Community Corrections (ACC) and who are on probation and parole may be issued restricted driving permits, if the licensee is suspended and: In the process of paying court fines; In compliance with parole officer’s conditions; Holds an unexpired license. Effective August 1, 2017.

Act 915: Amends the law concerning driver’s license reinstatement fees. Permits a driver whose driving privileges are suspended or revoked due to owing outstanding reinstatement fees, to pay one reinstatement fee of \$100 to have his or her driver’s license reinstated, if the driver meets the following conditions: Pay all court fines and fees; Graduate from a specialty court program such as drug court, HOPE court, or veterans court; and Provides the sentencing court with a reinstatement letter from the Department of Finance and Administration. A person may not avail himself or herself of the conditions of this act on more than one (1) occasion. A taxpayer will be notified that his or her state income tax refund will be intercepted to set off the outstanding fees assessed under Arkansas Code § 26-36-301 et seq. Effective September 1, 2017 and the Act expires on January 15, 2019.

**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 2300 Individual Income Tax
- Room 2350 Motor Fuel Tax
- Room 2360 Hearings and Appeals
- Room 2370 Tax Credits/Special Refunds
- Room 2380 Revenue Legal Counsel
- Room 2460 Problem Resolution & Tax Information Office

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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.

OFFICE OF CHILD SUPPORT ENFORCEMENT (OCSE)

OCSE MyWorkers Website



OFFICE OF CHILD SUPPORT ENFORCEMENT
WEBSITE FOR EMPLOYERS

Log on to **OCSE MyWorkers** to have access to your online company information.

<https://www.ark.org/MyWorkers>

OFFICE OF INCOME TAX ADMINISTRATION

Credit Card Payment Information

Credit card payments may be made over the telephone for individual income tax debts by calling 1-800-2PAY-TAX (1-800-272-9829) or over the Internet by visiting www.officialpayments.com and clicking the "Payment Center Link".

If you need more information on making credit card payments, a link is provided in the **Helpful Webpage Links Section** of the *Arkansas State Revenue Tax Quarterly Newsletter* in every issue.

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
Damascus	23-05	07/01/2017	1.00	Annexation
Dyer	17-07	07/01/2017	1.00	Annexation
Eureka Springs	08-01	07/01/2017	2.25	Decreased
Lamar	36-05	07/01/2017	2.00	Increased
Lonoke	43-09	07/01/2017	1.50	Decreased
Pleasant Plains	32-08	07/01/2017	2.00	Annexation
Plumerville	15-04	07/01/2017	1.00	Decreased
Pocahontas	61-04	07/01/2017	2.00	Annexation
Sherwood	60-07	07/01/2017	1.00	Annexation
Garland County	26-00	07/01/2017	1.5	Increased

Calendar of Due Dates

July

- 07/12/17 Sales Tax (1st monthly prepayment)
- 07/17/17 Employee monthly withholding tax, for prior month
- Miscellaneous tax (Except Severance taxes. Wheat, Soybean, Wine-Small Farm and Waste Tire) Beer, Liquor, Soft Drink, Cigarette Excise, Cigarette Papers, Construction Surcharge, Telecommunications Surcharge, Beef Promotions, Catfish Promotions, Corn/Sorghum, Promotion, Bovine/Pseudorabies Fee, Bingo Tax, Rice Promotion
- 07/20/17 Sales & Use Tax
- Dyed Diesel - Motor Fuel Tax
- Miscellaneous Tax - Wheat, Waste Tire, Electronic Games of Skill, Wine-Small Farm
- 07/24/17 Sales Tax (2nd monthly prepayment)
- 07/25/17 Motor Fuel Tax (Except IFTA)
- Severance Tax
- 07/31/17 Miscellaneous Tax-Soybean Promotion

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IFTA - 2nd Quarter 2017 return

August

08/14/17 Sales Tax (1st monthly prepayment)
08/15/17 Employee monthly withholding tax, for prior month
Miscellaneous Tax (Except Severance taxes, Wheat, Soybean, Wine-Small Farm and Waste Tire) Beer, Liquor, Soft Drink, Cigarette Excise, Cigarette Papers, Construction Surcharge, Telecommunications Surcharge, Beef Promotions, Catfish Promotions, Corn/Sorghum, Promotion, Bovine/Pseudorabies Fee, Bingo Tax, Rice Promotion
08/21/17 Dyed Diesel- Motor Fuel Tax
Miscellaneous Tax - Wheat, Waste Tire, Electronic Games of Skill, Wine-Small Farm Sales & Use Tax
08/24/17 Sales Tax (2nd monthly prepayment)
08/25/17 Motor Fuel Tax (Except IFTA)
08/26/17 Severance Tax
08/31/17 Miscellaneous Tax-Soybean Promotion

September

09/12/17 Sales Tax (1st monthly prepayment)
09/15/17 Employee monthly withholding tax, for prior month
3rd Qtr. estimated income tax (Based on calendar year filer) (EFT filers only)
Ark income tax returns (Cooperative association) (Based on calendar year filers; return due date 8 1/2 months after end of tax year) 3rd Qtr. Corporation Income Tax estimated Income tax (Based on calendar year filer) Miscellaneous Tax (Except Severance taxes, Wheat Soybean, Wine-Small Farm and Waste Tire) Beer, Liquor, Soft Drink, Cigarette Excise, Cigarette Papers, Construction Surcharge, Telecommunications Surcharge, Beef Promotions, Catfish Promotions Corn/Sorghum, Promotion, Bovine/Pseudorabies Fee, Bingo Tax, Rice Promotion
09/20/17 Dyed Diesel -Motor Fuel Tax Sales & Use Tax
Miscellaneous Tax – Wheat, Waste Tire, Electronic Games or Skill, Wine-Small Farm
09/25/17 Severance Tax
Sales Tax (2nd monthly prepayment)
Motor Fuel Tax (Except IFTA)
09/30/17 Miscellaneous Tax-Soybean Promotion



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.
- ❖ File an annual reconciliation for withholding tax.
- ❖ Change a name on an account.
- ❖ Change an address on an account.
- ❖ Amend a return.
- ❖ Maintain all tax account types via a single login.
- ❖ Assign 3rd party logins (CPA, power of attorney, responsible party, & etc.).
- ❖ Store banking information for use during payment submission.
- ❖ Upload w-2 information.
- ❖ 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](#).

HELPFUL WEBPAGE LINKS

[INDIVIDUAL INCOME TAX ACCOUNT CHANGE FORM](#)

[INDIVIDUAL INCOME TAX E-FILE](#)

[ELECTRONIC FILING PAYMENT OPTIONS INFORMATION](#)

[INDIVIDUAL INCOME TAX PENALTY WAIVER REQUEST](#)

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

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

[CORPORATION INCOME TAX FORMS AND INSTRUCTIONS](#)

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

[LOCAL TAX LOOKUP TOOLS](#)

[BUSINESS CLOSURE NOTIFICATION LIST](#)

[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](#)

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[MOTOR FUEL TAX](#)

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

[SALE OR CLOSURE OF BUSINESS FORM](#)

[CLAIM FOR LOW INCOME SALES OF ELECTRICITY, E-416](#)

[MANUFACTURER OF ELECTRICITY UTILITY REDUCED RATE APPLICATION, ET-186 A](#)

[MANUFACTURER OF ELECTRICITY UTILITY REDUCED TAX REFUND REQUEST, ET-186 R](#)

[MANUFACTURING REDUCED RATE APPLICATION/RECERTIFICATION, ET-185ARC](#)

[MANUFACTURING UTILITY REDUCED TAX REFUND REQUEST, ET-185R](#)

[TAX CREDITS AND SPECIAL REFUNDS](#)

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

[REQUEST FOR TITLE WITH BENEFICIARY](#)

[COMPOSITE FILING AND WITHHOLDING FOR PASS THROUGH ENTITIES FORMS AND GENERAL INFORMATION](#)

[STATE TAX RATES](#)

[Driver Services Administration](#)

501-682-7060

[Revenue Administration](#)

501-682-7025

[Withholding Tax](#)

501-682-7290

[Miscellaneous Tax Section](#)

501-682-7187

[Tax Credits and Special Refunds](#)

501-682-7106

DFA REVENUE



**American
Red Cross**

DFA/Revenue Division is sponsoring an American Red Cross Blood Drive on Wednesday, August 16, 2017, from 8:30 a.m. to 1:30 p.m., in

Room 2020 in the Ragland Building.

FYI: Food trucks are now periodically serving food on the corner of 7th and Marshall Streets, in between the Ledbetter and Justice buildings. The food trucks are usually scheduled to arrive between 10:30 am to 2:00 pm, Monday-Thursday.

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 Brandon Smith at: Brandon.Smith@dfa.arkansas.gov

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

Contact Info

[Corporate Income Tax](#) 501-682-4775

Taxpayer Assistance for
[Individual Income Tax](#) 501-682-1110
800-882-9275

[Sales and Use Tax](#) 501-682-7104
(Tax Inquiries)

[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

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



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 Brandon Smith by email at: Brandon.Smith@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](#).

Upcoming State Observed Holidays

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

- ✚ Tuesday, July 4th in observance of Independence Day.
- ✚ Monday, September 4th in observance of Labor Day.

Suggestion's Corner

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