

DFA Arkansas Department of Finance and Administration



Asa Hutchinson, Governor	Arkansas Department of Finance & Administration (DFA) Revenue Division	Larry W. Walther, Director Paul Ghering, Acting Commissioner of Revenue
Arkansas State Revenue Tax Quarterly Newsletter, Volume XXV, Qtr. No. 4	ARKANSAS DFA HOMEPAGE	October, November, December 2019

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OFFICE OF SALES AND USE TAX ADMINISTRATION

Sales Tax Act

Act 866: Provides that upon the issuance of a final business closure order to a seller/contractor holding an existing state government contract in which further administrative review of the business closure has been waived or all remedies to appeal have been exhausted, the Office of State Procurement shall be notified of the closure order and the Office of State Procurement shall notify each state agency with which the contractor has a contract and the provision of any goods or services, or both, under contract shall cease as soon as reasonably practicable.

Effective: January 1, 2020

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OFFICE OF INCOME TAX ADMINISTRATION

Income Tax Update

Explanation of Tax Adjustment Letter

The primary purpose of the Explanation of Tax Adjustment letter is to inform the taxpayer that an adjustment has been made to his/her tax return and a summary of the return after adjustments have been made. It does not include any payments made with or after the return was processed. Payments will be reflected on the Notice of Proposed Assessment letter or a Notice of Final Assessment letter.

Additionally, there is a statement below the summary that explains the adjustment, such as "Error in amount claimed as estimated tax paid or credit carried forward from previous tax year". Adjustments could be made for several reasons such as a math error, an error in calculating estimated payments or credit brought forward, a disallowance of a deduction or credit, or an adjustment made due to an IRS audit.

At the bottom of the Explanation of Tax Adjustment letter is a note explaining the adjustment letter is not a bill. Below is the note that is included in all Adjustment letters. Please note the items in bold. **THIS IS NOT A BILL**

Payments submitted with your return are not included in the Total Payments show above. If these adjustments result in any additional tax liability, you will receive a Notice of Proposed Assessment which will show all previous payments, any balance due for tax, interest and penalty, and will include a payment voucher. Any credit or refund will be reduced by outstanding balances on your account.

The Explanation of Tax Adjustment Letter is meant to be read in its entirety to ensure the taxpayer understands the status of his or her tax return and the purpose of the letter. Should the taxpayer have additional questions concerning this letter or any correspondence received from the tax department there is a person's name and contact information at the bottom of all correspondence. I would encourage the taxpayer to call (501) 682-1000 if there is any confusion.

OFFICE OF MOTOR VEHICLE ADMINISTRATION

Motor Vehicle Services

ACT 733 of 2019: Arkansas will begin Titling **NEW** boats in January 2020. This will only effect **NEW** boats registered with Manufactured Statement of Origin and Manufactured in 2020. Effective: January 1, 2020

The Office of Motor Vehicle, the Office of Driver Services and the International Registration Plan (IRP) Office, are offering services online. All these services are available on the Department of Finance and Administration (DFA's) website at: mydmv.arkansas.gov

Check Title Status Online – This service will help taxpayers to check the status of their application for title.

Transfer Ownership – This service will help taxpayers to notify the Office of Motor Vehicles (OMV) if they have sold their vehicle to another individual or to a dealer.

Print Duplicate Registration – This service will help taxpayers to print a duplicate registration online.

Estimated Sales Tax Calculator – This service will allow taxpayers to calculate how much state tax they will owe for a vehicle before registration.

Online Pre-Registration – This service will allow taxpayers to input specific Motor Vehicle details and receive a confirmation code for submission. The taxpayer should present the confirmation code and necessary documents to their local State Revenue Office clerk to complete the transaction with minimal data input.

Vehicle Registration - This service will allow taxpayers to register their vehicle online and "SKIP THE TRIP" to their local revenue office. User will enter Motor Vehicle details, pay sales tax, mail documents and obtain a confirmation code. The plate and registration will be mailed once documents have been received, reviewed and approved.



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

Services and Updates

Some sections have moved within The Office of Driver Services, please see the room changes below:

CDL Help Desk has moved from Rm 2110 to Rm 1130.
Insurance Verification has moved from Rm 1120 to Rm 2080.
Facial Recognition has moved from 1047 to Rm 1120.

Starting July 24, 2019 – October 1, 2019 the Office of Driver Services will be implementing several legislative law changes. Please visit our website to see legislative changes and dates of implementation at <https://www.dfa.arkansas.gov/driver-services/>. During this time, the Office of Driver Services will be adding a new online function to mydmv.arkansas.gov called The Age Waiver Application. This application will save taxpayers an extra trip to their local Driver Control office and allow them to start the application process from the comfort of their home.

Beginning September 1, 2019, the Office of Driver Services will be closing 2 Driver Control hearing offices. One will be the Paragould office in Northeast Arkansas district and the other will be the Jacksonville office in the central Arkansas district. The Office of Driver Services has changed the schedule of several outlying Driver Control offices from weekly visits to bi-weekly. These changes, in conjunction with the closures of offices, are in the effort of saving Arkansas taxpayers money.

Office of Motor Fuel Tax

Tax Act Update

Effective October 1, 2019 there is a wholesale sales tax on motor fuel for an additional 3 cents on gasoline and 6 cents per gallon on diesel. Act 416 was passed in the 92nd General Assembly Regular Session of 2019. This Act will increase the overall tax rate for Motor Fuel to 24.5 cents a gallon for gasoline and 28.5 cents a gallon for diesel.

**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 2370	Tax Credits/Special Refunds
Room 2380	Revenue Legal Counsel
Room 2460	Problems Resolution & Tax Information Office

**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](#)

City or County Name	Code	Effective Date	%	Recent Action
Siloam Springs	04-01	10/1/2019	2.00	Annexation
Rogers	04-02	10/1/2019	2.00	Annexation
Bentonville	04-03	10/1/2019	2.00	Annexation
Gravette	04-07	10/1/2019	2.00	Annexation
Alpena	05-02	10/1/2019	1.00	Annexation
Van Buren	17-02	10/1/2019	1.50	Decreased
Conway	23-01	10/1/2019	2.125	Deannexation
Nashville	31-01	10/1/2019	1.00	Annexation
Benton	62-03	10/1/2019	2.50	Annexation
West Fork	72-12	10/1/2019	3.00	Annexation
Fayetteville	72-14	10/1/2019	2.00	Annexation
Lincoln	72-15	10/1/2019	2.00	Annexation
Cross County	19-00	10/1/2019	3.00	Increased

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Calendar of Due Dates

October

10/14/19 Sales Tax (1st monthly prepayment)
10/15/19 Individual Income Tax Return w/extension (Fiduciary, Partnership, Composite)
Employee monthly withholding tax, for previous month
Miscellaneous Tax (Except Severance taxes, Wheat, Soybean, Wine-Small Farm and Waste Tire) Ark income tax returns (Cooperative association) Beer, Liquor, Soft Drink, Cigarette Excise, Cigarette Papers, Construction Surcharge (Based on calendar year filers; return due date 8 1/2 months after end of tax year)
10/21/19 Sales & Use tax, monthly report for previous month
Dyed Diesel - Motor Fuel Tax
Miscellaneous Tax - Wheat, Waste Tire, Electronic Games of Skill, Wine-Small Farm, Other Tobacco Products, Fantasy Sports Games (Quarterly)
10/24/19 Sales Tax (2nd monthly prepayment)
10/25/19 Motor Fuel Tax (Except IFTA)
Severance Tax
10/31/19 IFTA - 3rd Quarter 2019 return
Miscellaneous Tax-Soybean Promotion

November

11/12/19 Sales Tax (1st monthly prepayment)
11/15/19 Employee monthly withholding tax, for previous 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
11/20/19 Sales & Use Tax, monthly report for previous month
Dyed Diesel - Motor Fuel Tax
Miscellaneous Tax - Wheat, Waste Tire, Electronic Games of Skill, Wine - Small Farm, Other Tobacco Products
11/25/19 Severance Tax
Motor Fuel Tax (Except IFTA)
Sales Tax (2nd monthly prepayment)
11/29/19 Miscellaneous Tax - Soybean Promotion

December

12/12/19 Sales Tax (1st monthly prepayment)
12/16/19 4th Qtr. Corporation estimated income tax (Based on calendar year filer) (EFT filers only)
Employee monthly withholding tax, for previous month
4thQtr. Corporation 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

12/20/19 Miscellaneous Tax - Wheat, Waste Tire, Electronic Games of Skill, Wine-Small Farm, Other Tobacco Products Dyed Diesel - Motor Fuel Tax
Sales & Use Tax, monthly report for previous month
12/26/19 Severance Tax
Motor Fuel Tax (Except IFTA)
Sales Tax (2nd monthly prepayment)
12/31/19 Miscellaneous Tax-Soybean Promotion

[Calendar Due Dates for 2019](#)



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.

- ❖ Certify Tax Credits Payroll, Expenditures and/or Tax Back Refund request.

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

HELPFUL WEBPAGE LINKS

[INDIVIDUAL INCOME TAX NAME AND ADDRESS 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](#)

[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](#)

Contact Info

Corporate Income Tax	501-682-4775
Taxpayer Assistance for Individual Income Tax	501-682-1100 800-882-9275
Sales and Use Tax (Tax Inquiries)	501-682-7104
Motor Fuel Tax	501-682-4800
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	844-545-5640
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	501-371-5581
Revenue Administration	501-682-7000
Withholding Tax	501-682-7290
Miscellaneous Tax Section	501-682-7187
Tax Credits and Special Refunds	501-682-7106

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DFA REVENUE



DFA/Revenue Division is sponsoring a Blood Drive with the Arkansas Blood Institute on Tuesday,

November 12, 2019, from 9:00 a.m. to 12:00 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

DFA Revenue Rules are listed in the newsletter and updated on the DFA website. The rules (regulations) can be accessed at the following link: [Revenue Rules](#).



The Arkansas State Revenue Tax Quarterly is a publication of the Problems 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 Problems 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:

- ✚ Monday, November 11th in observance of Veterans Day.
- ✚ Thursday, November 28th in observance of Thanksgiving Day.
- ✚ Tuesday, December 24th in observance of Christmas Eve.
- ✚ Wednesday, December 25th in observance of Christmas Day.
- ✚ Wednesday, January 1st in observance of New Year's 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