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.
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].

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 Individual Income Tax Booklets

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.

Arkansas Taxpayer Access Point

REMINDER NOTICE

April, May, and June 2013
April 22nd


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


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).


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


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).

Arkansas State Revenue Tax Quarterly

06/24/13—Sales Tax (2nd monthly prepayment).

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 email 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

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

Corporate Income Tax  501-682-4775
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
Driver Services Administration  501-682-7060
Revenue Administration  501-682-7025
Withholding Tax  501-682-7290
Miscellaneous Tax Section  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

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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.

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.