

# 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
Arkansas State Revenue Tax Quarterly Newsletter, Volume XXV, Qtr. No. 3	<a href="#">ARKANSAS DFA HOMEPAGE</a>	July, August, September 2019

Included in this issue	Page
Office of Sales and Use Tax: Sales Tax Acts	1-2
Office of Income Tax Administration: "Combined Federal/State Filing Program (CF/SF).	2
Office of Motor Vehicle: Tax Act Updates; My DMV Services. ARSTAR: Arkansas Streamline Auto Renewal. Office of Driver Services: New Room Changes for Commercial Driver's License (CDL), Insurance Verification and Facial Recognition; State Driver's License/ID Cards. Office of Motor Fuel Tax: Tax Act Update;	3
Helpful DFA Revenue Room Numbers; Reporting Suspicious Tax Activities. OCSE MyWorkers Website. Office of Income Tax Admin.: Credit Card Payment Information.	4
Upcoming Local Sales and Use Tax Changes; Arkansas Excise and Income Tax Due Date Calendar for 2017 Calendar of Due Dates; & ATAP (Arkansas Taxpayer Access Point).	5-6
Helpful Webpage Links and Contact Info. DFA Revenue Blood Drive; FYI – Food Truck, Newsletter Sign-Up; Rule Sign-Up; Upcoming State Observed Holidays and Suggestions Corner.	6-7

## OFFICE OF SALES AND USE TAX ADMINISTRATION

### Sales Tax Acts

Act 172: Adds podiatrists licensed under A.C.A. §17-96-101 to the definition of physician allowing for the issuance of prescriptions to patients by podiatrists for entitlement of the sales tax exemption for sales, rentals and repairs of durable medical equipment, mobility-enhancing equipment, disposable medical supplies, and prosthetic devices.  
[www.dfa.arkansas.gov](http://www.dfa.arkansas.gov)

Act 583: Exempts the value of the goods, wares, merchandise, or tangible personal property withdrawn from stock and donated for consumption or use by:

- A Nonprofit organization described in §26 U.S.C. 501(c)(3), as it existed on January 1, 2019;
  - Public educational institution;
  - Nonprofit church; or
  - Private individual who has suffered damage or loss as a result of a natural disaster, if the individual lives in an area of the state that the Governor has officially declared to be a disaster area.
- A sworn affidavit to the Department of Finance and Administration describing the goods withdrawn and the disaster area in which each recipient resides is required from the business.

Act 634: Provides an exemption for sales of tangible personal property at concession stands operated by a nonprofit youth athletic organization when the following requirements are met:

# Arkansas State Revenue Tax Quarterly

- All proceeds from the sales go to the nonprofit organization; and
- The individuals operating the stand are members of the nonprofit youth athletic organization or volunteers working on behalf of the organization.

Act 660: Replaces the existing E911 charge on sales of prepaid wireless services of \$.65 per transaction to a public safety charge of 10% of the sales price of the prepaid wireless service.

Act 772: Allows machinery and equipment purchased to modify, replace, or repair existing molds and dies that are used directly in producing, manufacturing, fabricating, assembling, processing, finishing, or packaging articles of commerce at manufacturing or processing plants in Arkansas to be eligible for the tax refund provisions as currently allowed for manufacturing machinery and equipment repair and replacement parts.

Act 819: Provides a sales and use tax exemption on sales of advertising space on public transit buses.

Act 819: Amends current sales tax code provisions regarding the sales tax exemption for certain items of farm equipment and machinery to require additional documentation from the purchaser when claiming the farm exemption on the purchase of an all-terrain vehicle. All-Terrain Vehicles ("ATV") are defined as motorized vehicles which meet the following criteria:

- Has three (3), four (4), or six (6) wheels;
- Is fifty inches (50") or less in width;
- Is equipped with nonhighway tires; and
- Has an engine displacement of no more than one thousand cubic centimeters (1,000 cc). ATVs do not include golf carts, riding lawn mowers or lawn or garden tractors. When claiming the farm equipment and machinery exemption for an all-terrain vehicle, the purchaser must complete the ST-403 Commercial Farm Exemption Certificate and the new form ET-819. The seller of the ATV must submit all completed ET-819 forms to the Department of Finance and Administration when filing their monthly sales and use tax return for the month in which the ATV was sold.

Act 822: Requires collection and remittance of state and local sales tax and tourism tax on accommodations furnished by Accommodation Intermediaries to transient guests. An "accommodations intermediary" means a person other than the owner, operator, or manager of a room, suite, condominium, townhouse, rental house, or other accommodation. Furnishing an accommodation includes brokering, coordinating, making available for, or otherwise arranging for the sale or use of a room, suite, condominium, townhouse, rental house, or other accommodation by a purchaser. [www.dfa.arkansas.gov](http://www.dfa.arkansas.gov)

Act 822: Exempts from state and local sales tax the sale of car wash services and ancillary services when provided through an "automatic car wash", a "car wash tunnel" or a "self-service bay". Car wash services performed in any other manner remain subject to state and local sales tax. For purposes of the Act, an "Automatic car wash" means a car wash bay that provides a car wash using mechanical equipment that cleans the motor vehicle while the motor vehicle remains stationary. A "Car wash tunnel" means a car wash bay that provides a fully automated car wash in which the motor vehicle is moved through a tunnel by a conveyor system. "Ancillary services" are defined as services provided by a car wash operator in conjunction with the sale of a service through an automatic car wash, a car wash tunnel, or a self-service bay that involves the cleaning of interior or exterior, or both, of a motor vehicle. The Act also provides an exemption for goods and services purchased by car washes for use in an automatic car wash, a car wash tunnel, or a self-service bay or as part of an ancillary service.

Act 822: Levies fees on car wash operators based on water consumed by "Car Wash Tunnels" and "Automatic Car Washes". This tax does not apply to water consumed in self-service bays. The tax is to be calculated as follows:

- Car Wash Tunnels: multiply by (.8) the total aggregate number of gallons of water the car wash operator used during the preceding month for car wash tunnels. Multiply the product by (\$0.004).
- Automatic Car Washes: multiply by (.8) the total aggregate number of gallons of water the car wash operator used during the preceding month for automatic car washes. Multiply the product by (\$0.002). The new fee will be reported on a separate return to the Department of Finance and Administration by the 20th calendar day following the month of water usage.

Act 840: Exempts from sales tax the sale of washer-extractors required under A.C.A. §14-284-412 to fire departments and intergovernmental councils of a county from sales and use tax.

Each Sales Tax Act is Effective October 1, 2019

## OFFICE OF INCOME TAX ADMINISTRATION

### Income Tax Update

"The Combined Federal/State Filing Program (CF/SF) was established to simplify information returns filing for taxpayers. Through CF/SF, the IRS electronically forwards information returns (original and corrected) to participating states."

This program allows businesses to file their 1099s with the IRS, and then the IRS forwards them to DFA. It would benefit DFA

# Arkansas State Revenue Tax Quarterly

if they would use this program. Below is the link to the publication. It begins on page 23.

<https://www.irs.gov/pub/irs-pdf/p1220.pdf>

## OFFICE OF MOTOR VEHICLE ADMINISTRATION

### Motor Vehicle Services

Act 416 of 2019: Hybrid and Electric Vehicle registration fees will increase. Electric Vehicles - \$200.00 and Hybrid Vehicles \$100.00.

Effective October 1, 2019

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](http://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](http://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](mailto: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](http://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 92<sup>nd</sup> 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](mailto:FieldAudit@dfa.arkansas.gov).

## OFFICE OF CHILD SUPPORT ENFORCEMENT (OCSE)

### OCSE MyWorkers Website



## 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](http://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.



# 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](#)

City or County Name	Code	Effective Date	%	Recent Action
Centerton	04-09	7/1/2019	2.00	Annexation
Pea Ridge	04-10	7/1/2019	1.00	Annexation
Highfill	04-16	7/1/2019	2.00	Annexation
Hampton	07-01	7/1/2019	0.50	Enacted
Lake City	16-02	7/1/2019	1.00	Annexation
Flippin	45-02	7/1/2019	1.00	Annexation
East Camden	52-03	7/1/2019	1.00	Annexation

Telecommunications Surcharge, Beef Promotions, Catfish Promotions, Corn/Sorghum Promotion, Bovine/Pseudorabies Fee, Bingo Tax, Rice Promotion  
08/20/19 Dyed Diesel - Motor Fuel Tax  
Miscellaneous Tax - Wheat, Waste Tire, Electronic Games of Skill, Wine-Small Farm, Other Tobacco Products  
Sales & Use Tax, monthly report for previous month  
08/26/19 Sales Tax (2nd monthly prepayment)  
Motor Fuel Tax (Except IFTA)  
Severance Tax  
08/30/19 Miscellaneous Tax-Soybean Promotion

### September

09/12/19 Sales Tax (1st monthly prepayment)  
09/15/19 3rd Qtr. Individual estimated income tax payment  
09/16/19 Employee monthly withholding tax, for previous month  
3rd Qtr. Corporate estimated income tax (Based on calendar year filer) (EFT filers only)  
Arkansas income tax returns (Cooperative association)  
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  
09/20/19 Dyed Diesel - Motor Fuel Tax  
Sales & Use Tax, monthly report for previous month  
Miscellaneous Tax - Wheat, Waste Tire, Electronic Games of Skill, Wine-Small Farm, Other Tobacco Products  
09/24/19 Sales Tax (2nd monthly prepayment)  
09/25/19 Severance Tax  
Motor Fuel Tax (Except IFTA)  
09/30/19 Miscellaneous Tax-Soybean Promotion

## Calendar of Due Dates

### July

07/12/19 Sales Tax (1st monthly prepayment)  
07/15/19 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  
07/22/19 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, Oil, Other Tobacco Products, Fantasy Sports Games (Quarterly)  
07/24/19 Sales Tax (2nd monthly prepayment)  
07/25/19 Motor Fuel Tax (Except IFTA)  
Severance Tax  
07/31/19 Miscellaneous Tax-Soybean Promotion  
IFTA - 2nd Quarter 2019 return

### August

08/12/19 Sales Tax (1st monthly prepayment)  
08/15/19 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,

### [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.

# Arkansas State Revenue Tax Quarterly

- ❖ Assign 3<sup>rd</sup> 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](#).

[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](#)

## 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](#)

## Contact Info

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

Taxpayer Assistance for  
[Individual Income Tax](#) 501-682-1100  
800-882-9275

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

[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

# Arkansas State Revenue Tax Quarterly

<a href="#">Revenue Administration</a>	501-682-7000
<a href="#">Withholding Tax</a>	501-682-7290
<a href="#">Miscellaneous Tax Section</a>	501-682-7187
<a href="#">Tax Credits and Special Refunds</a>	501-682-7106



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.

## DFA REVENUE



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

August 13<sup>th</sup>, 2019, from 9:00 a.m. to 1:00 p.m., in Room 2020 in the Ragland Building.

**FYI:** Food trucks are now periodically serving food on the corner of 7<sup>th</sup> 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](mailto: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](#).

To be added or deleted from the e-mail list, contact Brandon Smith by email at: [Brandon.Smith@dfa.arkansas.gov](mailto: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, September 2<sup>nd</sup> 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](mailto:Brandon.Smith@dfa.arkansas.gov)