

**State of Arkansas**  
**Department of Finance and Administration**  
**Income Tax Administration**



**Handbook for Authorized**  
**Arkansas e-file Providers**  
**Of**  
**Corporate, S-Corporation, Partnership**  
**& Fiduciary Income Tax Returns**

**Tax Year - 2015**

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# **REVISIONS**

**October 27, 2015**

Page 21 – Changed partnership mailing address.

# INTRODUCTION

The State of Arkansas and the Internal Revenue Service continue to experience growth in the Fed-State E-File program. It is our goal to provide the best service possible to the Practitioners and ERO's in order for you to provide the best service possible to your clients.

The Arkansas Electronic Filing Season will use the same testing dates and production dates as the IRS. Testing usually begins in November of each year and production transmissions will begin in January.

All IRS rules, regulations, and requirements governing tax preparers, transmitters, and electronic return originators put forth by the IRS are in effect for the State of Arkansas unless otherwise instructed by Arkansas procedures. See the IRS Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns (Publication 4163).

If you have any questions about Arkansas E-File, please visit our website at:

[www.arkansas.gov/efile](http://www.arkansas.gov/efile)

# TAX PREPARER, TRANSMITTERS AND ERO ASSISTANCE

**DO NOT GIVE TO TAXPAYERS**

## **E-File Technical Support**

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# TAXPAYER ASSISTANCE

Taxpayers should be advised to confirm acknowledgment of their Arkansas return with their practitioners prior to calling the Tele-Tax Help line or Tax Hotline.

## ONLINE:

ATAP (Arkansas Taxpayer Access Point) allows taxpayers or their representatives to log on to a secure site and manage their account online.

You can access ATAP at [www.atap.arkansas.gov](http://www.atap.arkansas.gov) some features are listed below:

- Make name and address changes
- View account letters
- Make payments
- Check refund status

**(Registration is not required to make payments or to check refund status.)**

## PHONE:

Representatives are available to assist callers at the numbers below during normal business hours (Monday through Friday – 8:00 a.m. to 4:30 p.m. Central Time Zone).

### Partnership and Fiduciary:

- (501) 682-1100
- **E-mail:** [individual.income@dfa.arkansas.gov](mailto:individual.income@dfa.arkansas.gov)
- **Website:** [www.dfa.arkansas.gov](http://www.dfa.arkansas.gov)

### Corporation and S-Corporation:

- (501) 682-4775
- **E-mail:** [corporation.income@dfa.arkansas.gov](mailto:corporation.income@dfa.arkansas.gov)
- **Website:** [www.arkansas.gov/ccorp](http://www.arkansas.gov/ccorp)

## **FEDERAL-STATE ELECTRONIC FILING**

The State of Arkansas continues to offer Fed-State Electronic Filing to their taxpayers. Fed-State Electronic Filing continues to be the fastest way to have tax returns processed by the IRS and the States that participate in this program.

Tax preparers and transmitters accepted in the IRS E-File program can participate in the Fed-State program by filing both the Federal return and the Arkansas return in one transmission to the IRS Service Center, using software accepted by both the IRS and the State of Arkansas. After acknowledging acceptance of the Federal return with state data to the transmitter, the IRS makes the state data available for retrieval by the State of Arkansas. After the state data has been retrieved by the State of Arkansas, it is processed through the State's computer processing system and a separate acknowledgment is created for the State return.

The state return must be sent linked to the federal return (by including the Submission ID of the federal return in the state submission). Linked returns, the federal return must be accepted before the linked state return can be filed.

The State of Arkansas participates in the Fed-State Acknowledgement system. All transmitters should retrieve their State Acknowledgments through the IRS. The transmitter should be able to retrieve the Arkansas acknowledgment (ACKS) within three days or less from the time he receives his Acknowledgment from the IRS. (Please see Transmitting the Arkansas Electronic Return in this Publication.)

# ARKANSAS ELECTRONIC FILING CALENDAR

**Note: These dates are subject to change at any time.**

IRS/State Software Testing Begins ..... November 2, 2015

First Date for Transmitting Live Electronic Returns  
to IRS/AR Department of Finance & Administration ..... Same As IRS

## **PARTNERSHIP DUE DATE:**

Partnership fiscal year returns must be filed on or before the fifteenth (15th) day of the fourth (4th) month following the close of the fiscal year. (All other calendar year returns are filed on or before April 18, 2016).

A pass-through entity filing as an LLC or Partnership or other pass through entity electing to file as a corporation must be filed on or before the fifteenth (15th) day of the third (3rd) month following the close of the fiscal year. (Calendar year corporation returns are filed on or before April 18.)

The due dates for filing paper partnership returns apply to electronic filed partnership returns. All providers must ensure that returns are promptly processed. The return or application for extension must be transmitted on or before the due date of the return.

## **CORPORATION AND S-CORPORATION DUE DATE:**

The due date for calendar year filers is April 18th. The due date for fiscal year filers is 2 ½ months after the close of tax year.

All Corporation due dates for filing paper Corporation returns apply to electronic returns. All providers must ensure that returns are promptly processed. The return or application for extension must be transmitted on or before the original due date of the return.

## **FIDUCIARY DUE DATE:**

Fiscal year corporation returns must be filed on or before the fifteenth (15th) day of the third (3rd) month following the close of the fiscal year. (Calendar year corporation returns are filed on or before April 18.) All other fiscal year returns must be filed on or before the fifteenth (15th) day of the fourth (4th) month following the close of the fiscal year. (All other calendar year returns are filed on or before April 18, 2016)

# PUBLICATIONS

The procedures in this publication should be used in conjunction with the most current version of the following state and federal publications:

## Arkansas Publications:

- Publication AR1345** Handbook for Authorized Arkansas e-file Providers  
Of Individual Income Tax Returns
- Publication AR4163** Handbook for Authorized Arkansas e-file Providers  
Of Partnership, Corporation, S-Corporation, & Fiduciary Income Tax  
Returns
- Publication AR4164** Arkansas e-file Guide for Software Developers and Transmitters
- Publication AR1436** Arkansas e-File Test Package  
Individual Income Tax Returns
- Publication AR5078** Modernized e-File Test Package  
Partnership, Corporation, S-Corporation, & Fiduciary Returns

## IRS Publications:

- Publication 1345** Handbook for Authorized IRS e-File Providers of Individual Income Tax  
Returns
- Publication 1436** Test Package for Electronic Filing of Individual Income Tax Returns
- Publication 4164** Modernized e-File (MeF) Guide for Software Developers and  
Transmitters
- Publication 5078** Modernized e-File (MeF) Test Package (Business Submissions)
- Publication 4163** Modernized e-File (MeF) Information for Authorized IRS e-file Providers  
for Business Returns.

# **RESPONSIBILITIES OF ELECTRONIC FILERS/TRANSMITTERS/ERO'S**

Electronic filers, transmitters, and return originators must abide by the terms set forth in the Arkansas Handbook and must maintain a high degree of integrity, compliance, and accuracy to continue participation in the Fed-State electronic Filing Program. They must also meet the following requirements:

## **Compliance:**

All transmitters and EROs must comply with the requirements and specifications set forth in both the state and federal publications below. Persons or firms not meeting these requirements are subject to having their acceptance into the program revoked.

- Modernized e-file (MeF) Information for Authorized IRS e-file Providers for Business Returns (Publication 4163)
- Modernized d-file (MeF) guide for Software Developers and Transmitters (Publication 4164)
- Handbook for Authorized Arkansas e-file Providers of Partnership, Corporation, S-Corporation, & Fiduciary Income Tax Returns (Publication AR4163)
- Arkansas e-file Guide for Software Developers and Transmitters (Publication AR4164)

## **Timeliness of Filing:**

Transmitters and EROs must ensure that electronic returns are filed in a timely manner.

Further, transmitters and ERO's must confirm acknowledgment of the State return by Arkansas' Department of Finance and Administration before considering the state return received.

## **Changes to the Return:**

If the ERO, Partnership, Corporation, S-Corporation, or Fiduciary wish to make changes after the electronically filed return has been accepted, an amended return must be filed.

## **Responsibility to Your Clients:**

ERO's have been entrusted with the task of filing a client's tax return and must assume the responsibility of ensuring that the return arrives at the Arkansas' Department of Finance and Administration. In the event that the electronic return fails to arrive at its destination, EROs must notify their clients to file a paper return.

## **Business Closure:**

ERO's that cease doing business must notify the E-File Section within 30 days of the date they cease doing business. ERO's who cease doing business will be required to forward all retained AR8453-PE, AR8453-FE, AR8453-C, & AR8453-S and documents to the E-File Section. ERO's should contact the E-File section prior to submitting the documents for proper documentation and procedures.

## WHO MAY PARTICIPATE

All interested parties who wish to participate in the Arkansas Fed-State Program may do so if they meet the following requirements:

1. They must be accepted by the IRS for Fed/State Electronic Filing.
2. Each Electronic Return Originator (ERO) **MUST** have an accepted Electronic Filer Identification Number (EFIN). This is assigned by the IRS.
3. They must transmit the Arkansas returns to the IRS using software accepted for Fed/State or State Only Electronic Filing.

## APPLICATION PROCESS

Those who wish to participate in the Fed/State Electronic Filing Program must apply to the IRS by submitting *an application on-line via e-services*.

Please notify our office if you have any changes to your IRS application. IRS requires ERO's to update their application information within thirty days of the date of any changes to the information on their current application. The changes must be reported to the State of Arkansas within the same time frame.

The IRS Modernized e-file (MeF) Information for Authorized IRS e-file Providers for Business Return (Publication 4163) and IRS e-File Application and Participation (Publication 3112) specifies the application process and requirements for Federal participation. These requirements will apply for Arkansas electronic filing purposes under the Fed-State Program.

No separate application form is necessary for the Arkansas Department of Finance and Administration. You **DO NOT** need to provide the Arkansas E-File Section with a copy of your IRS acceptance letter. Arkansas electronic return originators (EROs) do not need to contact the Arkansas E-File Section.

## **RIGHT TO REVOKE ACCEPTANCE AND APPROVAL**

The Arkansas Department of Finance and Administration reserves the right to revoke the acceptance of an ERO or transmitter for cause. Furthermore, the Arkansas Department of Finance and Administration reserves the right to revoke the approval of any software developer for cause. Failure to comply with the guidelines set forth in the Arkansas Handbook for Electronic Filers and Transmitters of Partnership, Corporate, S-Corporation, and Fiduciary Income Tax returns and in Arkansas Modernized E-file Guide for Software Developers and Transmitters is considered just cause.

The following may result in the revocation of a participant's acceptance into the program:

1. Conviction of a criminal offense under the revenue laws of any state, or of any offense involving dishonesty, or breach of trust.
2. Failure to file timely and accurate tax returns, both personal and business.
3. Failure to pay personal tax liabilities or business tax liabilities.
4. Suspension or rejection from the program in a prior year if corrective action is not taken and approved by the Arkansas Department of Finance and Administration.
5. Other facts or conduct of a disreputable nature that would reflect adversely on the program.
6. Unethical practices in return preparation.
7. Suspension by IRS.

## **RANDOM MONITORING VISITS**

EROs serve as agents of the Arkansas Department of Finance and Administration for the origination of Arkansas electronic returns and the retention of the non-electronic Arkansas return data, and the Arkansas Department of Finance and Administration will conduct random monitoring visits with EROs in order to verify compliance with the requirements of the Arkansas Electronic Filing Program.

## **REPORTING FRAUD, ABUSE OR MISCONDUCT**

Tax preparers must be on the lookout for fraud, abuse, and/or misconduct. A potentially abusive return is a return that the taxpayer is required to file but contains inaccurate information that may lead to an understatement of a liability or the overstatement of a credit resulting in a refund to which the taxpayer may not be entitled.

If you suspect a tax preparer is preparing and/or filing fraudulent state tax returns, contact a state representative at 501-682-1100 or 1-800-882-9275.

## ACCEPTANCE AND TESTING

Acceptance by the IRS for filing federal electronic returns qualifies you for participation in the Arkansas electronic filing program, pending completion of a State suitability check. No separate application form is necessary for Arkansas electronic filing.

The IRS requires notification of address changes, contact person changes, etc within 30 days of the change in order to maintain updated information of the ERO. These changes are also required for the State of Arkansas. Please send any changes to your ERO application form to:

**Electronic Filing Unit  
P. O. Box 8094  
Little Rock, AR 72203-8094**

**FAX: (501) 682-7393 or  
E-Mail Address: [arefile@dfa.arkansas.gov](mailto:arefile@dfa.arkansas.gov)**

After the Arkansas Department of Finance and Administration conducts suitability checks on applicants accepted by the IRS for Arkansas Federal filing, the Department would authorize those that are eligible to participate in the Arkansas program. No notification will be sent to those who are accepted for Arkansas State Electronic filing

The State of Arkansas will use the Electronic Filer Identification Numbers (EFIN's) and Electronic Transmitter Identification Numbers (ETIN's) that are assigned by the IRS.

**All software developers are required to test their software with Arkansas test data.** Only software that has been tested and accepted by the Arkansas Department of Finance and Administration may be used for Arkansas Electronic Filing.

Upon request, software developers will be provided software specifications and test materials with instructions. The Arkansas E-File Section will retrieve their state test data from the IRS. Test data will be processed, evaluated, and software developers will be notified of results.

Software developers may begin Arkansas testing after they have successfully completed testing with the IRS.

**If at any time the IRS suspends your EFIN, you cannot participate in the Arkansas program until you can qualify to participate in the IRS program.**

# EXCLUSIONS FROM ARKANSAS ELECTRONIC FILING

The following types of returns are excluded from electronic filing:

- Amended Returns
- **Prior Year Returns** - Tax Year 2012 and prior.
- **AR1000CR** – Individual Income Tax Composite Return.
- Unlinked Returns

## **Extension of Time to File Request:**

Arkansas does not allow for form Arkansas Extension of Time to File Request (AR1055 and/or AR1155) to be electronically filed through Modernized e-file. The Arkansas Extension of Time to File Request (AR1055 and/or AR1155) can be filed through the ATAP (Arkansas Taxpayer Access Point) see “Taxpayer Assistance” for the website address.

## **Estimated Tax Payments:**

Arkansas does not allow estimated tax payments to be made through Modernized e-file. Taxpayers can make estimated tax payments using ATAP (Arkansas Taxpayer Access Point) see “Taxpayer Assistance” for the website address.

**Corporations:** A corporation may make estimate and/or extension payments through the ATAP (Arkansas Taxpayer Access Point), see “Taxpayer Assistance” for the website address. If the corporation is currently set-up or required to make EFT payments, the corporation must use the EFT method to make their estimated and/or extension payments.

## **SIGNING AN ELECTRONIC TAX RETURN**

The taxpayer and paid preparer (if applicable) must sign an electronic income tax return with an electronic signature.

Taxpayers must sign and date the Declaration of Taxpayer to authorize the origination of the electronic submission of the return to the State of Arkansas prior to the transmission of the return to the State of Arkansas. The Declaration of Taxpayer includes the taxpayers declaration under penalties of perjury that the return is true, correct and complete, as well as the taxpayer's Consent to disclosure. The consent to Disclosure authorizes the State of Arkansas to disclose information to the taxpayers' Providers. Taxpayers authorize Intermediate Service Providers, Transmitters and ERO's to receive from the IRS an acknowledgement of receipt or reason for rejection of the electronic return, the reason for any delay in processing the return or refund, and the date of the refund.

Taxpayers must sign a new declaration if the electronic return data on business income tax returns is changed after taxpayers signed the original.

## **E-FILE SIGNATURE AUTHORIZATION**

Arkansas accepts the taxpayer's and tax preparer's personal identification number (PIN) used for the Federal/State electronic filing process to serve as an "electronic signature" to sufficiently identify and link the taxpayer to a particular return. The taxpayer's and tax preparer's state PIN must match the IRS PINs.

The tax preparer will retain a signed form AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE and the tax software will send an electronic verification field that the taxpayer agrees with the perjury statement as listed on the income tax return.

The taxpayers PIN will only be allowed on a linked Federal/State return electronically filed.

## **ELECTRONIC SIGNATURES FOR ERO's**

EROs must also sign with a PIN. EROs should use the same PINs for the entire year. The ERO may manually input or the software can generate the PIN in the electronic record in the location designated for the ERO Electronic Filing Identification Number (EFIN)/PIN. The ERO is attesting to the ERO Declaration by entering a PIN in the ERO EFIN/PIN filed.

For returns prepared by the ERO firm, return preparers are declaring under the penalties of perjury that they reviewed the returns and they are true, correct and complete.

For returns prepared by other than the ERO firm that originates the electronic submission , the ERO attests that the return preparer signed the copy of the return and that the electronic returns contains tax information identical to that contained in the prepare return. The ERO must enter the return preparer's identifying information (name, address, EIN, when applicable and PTIN) in the electronic return.

EROs may sign the AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE by rubber stamp, mechanical device (such as signature pen) or computer software program. The signature must include either a facsimile of the individual ERO's signature or of the ERO's printed name. EROs using one of the alternative means is personally responsible for affixing their signatures to state tax returns. This does not alter the requirement that taxpayers must sign AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE by handwritten signature or electronic signature.

The ERO must retain the AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE for three years from the return due date or the Arkansas received date, whichever is later. EROs must not send the AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE to the State of Arkansas unless requested by the State of Arkansas or if the taxpayer is claiming one of the credits listed in this publication (see Documents, Which Must Be Submitted to the State of Arkansas).

# ELECTRONIC SIGNATURE GUIDANCE

Electronic signatures appear in many forms, and may be created by many different technologies. No specific technology is required. Examples of currently acceptable electronic signature methods include:

- A handwritten signature input onto an electronic signature pad;
- A handwritten signature, mark or command input on a display screen by means of a stylus device;
- A digitized image of a handwritten signature that is attached to an electronic record;
- A typed name (e.g., typed at the end of an electronic record or typed into a signature block on a website form by a signer);
- A shared secret (e.g., a secret code, password or PIN) used by a person to sign the electronic record;
- A digital signature; or
- A mark captured as a scalable graphic.

The software must record the following data:

- Digital image of the signed form;
- Date and time of the signature;
- Taxpayer's computer IP address (Remote transaction only);
- Taxpayer's login identification – user name (Remote transaction only);
- Identity verification: taxpayer's knowledge based authentication passed results and for in-person transactions, confirmation that government picture identification has been verified: and
- Method used to sign the record, e.g., typed name or a system log; or other audit trail that reflects the completion of the electronic signature process by the signer.

**Note:** The ERO must provide this information upon request.

## Identity Verification Requirements:

The electronic signing process must be associated with a person, and accordingly, ensuring the validity of any electronically signed record begins with identification and authentication of the taxpayer. The electronic signature process must be able to generate evidence of the person the electronic form of signature belongs to, as well as generate evidence that the identified person is actually associated with the electronic record. If there is more than one taxpayer for the electronic record, the electronic signature process must be designed to separately identify and authenticate each taxpayer.

## **In-Person Transaction:**

The ERO must inspect a valid government picture identification; compare picture to applicant; and record the name, social security number, address and date of birth. Verify that the name, social security number, address, date of birth and other personal information on record are consistent with the information provided through record checks with the applicable agency or institution or through credit bureaus or similar databases. For in-person transactions, the record checks with the applicable agency or institution or through credit bureaus or similar databases are optional.

Examples of government picture identification (ID) include a driver's license, employer ID, school ID, state ID, military ID, national ID, voter ID, visa or passport.

If there is a multi-year business relationship, you should identify and authenticate the taxpayer.

## **Remote Transaction:**

The electronic return originator must record the name, social security number, address and date of birth. Verify that the name, social security number, address, date of birth and other personal information on record are consistent with the information provided through record checks with the applicable agency or institution or through credit bureaus or similar databases.

## **Identity Verification Failure:**

If an ERO is unable to complete identity verification after three attempts, the ERO must obtain a handwritten signature.

## **Electronic Records:**

Electronic signatures must be linked to their respective electronic records to ensure that the signatures cannot be excised, copied or otherwise transferred to falsify an electronic record. After the electronic record has been signed, it must be tamper-proof. Therefore, techniques must be employed that lock a document and prevent it from being modified. Storage systems must have secure access control to ensure that the electronic records cannot be modified. Additionally, storage systems must also contain a retrieval system that includes an indexing system, and the ability to reproduce legible and readable hardcopies of electronically stored records.

# **TRANSMITTING THE ARKANSAS ELECTRONIC RETURN**

Since the Arkansas electronic return will be transmitted with the Federal return, the transmitter must comply with all electronic transmitting procedures, communications requirements, and technical specifications by the IRS, as defined in IRS Modernized d-File (MeF) Information for Authorized IRS e-file Providers for Business Returns (Publication 4163).

Electronic return originators (EROs) and transmitters must use software that has been accepted by the Arkansas E-Filing Section for filing the Arkansas return along with the federal return in the Fed/State Electronic Filing program.

Returns must be transmitted to the IRS. An electronic return originator (ERO) whose business lies outside the area supported by the IRS Service Center for Arkansas must ensure that the EFIN is transmitting to the appropriate IRS Service Center.

## **Rejection by the IRS:**

The IRS will identify certain conditions in the state return data that will cause rejection upon receipt of return data. The IRS will provide a rejection code in the acknowledgment record, but this rejection is generated by the IRS and not Arkansas.

If a federal return is rejected due to errors, the accompanying state return will also be rejected. If a state return is rejected due to errors, the federal return will also be rejected. IRS Modernized d-File (MeF) Information for Authorized IRS e-file Providers for Business Returns (Publication 4163) provides a list of all reject codes, including those applicable to the state return.

Questions or problems pertaining to acknowledgment status should be directed to your software provider.

# ARKANSAS ELECTRONIC RETURN

The State of Arkansas' electronic return consists of electronically transmitted data and supporting paper documents that must be mailed or delivered.

The following forms, schedules and worksheets may be transmitted electronically (electronic return):

<b>AR1050</b>	Arkansas Partnership Return
<b>AR1100CT</b>	Arkansas Corporation Income Tax Return
<b>AR1100S</b>	Arkansas Subchapter S Corporation Income Tax Return
<b>AR1100REC</b>	Arkansas Corporation Reconciliation Schedule
<b>AR1100CO</b>	Arkansas Schedule of Check – Off Contributions
<b>AR1100BIC</b>	Arkansas Schedule of Business Incentive Tax Credits
<b>AR2220</b>	Underpayment Of Estimated Tax by Corporation
<b>AR2220A</b>	Annualized Penalty for Underpayment of Estimated Income Tax
<b>AR1002F</b>	Arkansas Fiduciary Tax Return
<b>AR1002NR</b>	Arkansas NonResident Fiduciary Tax Return
<b>AR1000TC</b>	Schedule of Tax Credits
<b>Schedule A</b>	Capital Gains Worksheet
<b>Schedule B</b>	Income Distribution
<b>AR2210</b>	Arkansas Underestimate Penalty Schedule
<b>AR2210A</b>	Annualized Penalty for Underestimate
<b>AR4</b>	Arkansas Interest & Dividends Schedule
<b>AR K-1</b>	Arkansas Schedule K-1
<b>AR1100NOL</b>	Schedule of Net Operating Loss

## **BINARY ATTACHMENTS**

Arkansas allows for PDF attachments to Modernized e-File (MeF) submissions, if supported by your software. PDF file names are limited to 64 characters. Some tax software reserves a certain number of characters for their use. Description fields included in the XML file are limited to 128 characters. Software developers may have the Description field entered into the tax preparation software rather into the XML. Check with your software developer for specifics on entering this information in your package. The Description field is what is displayed to the Arkansas user when they are viewing the return. It helps them decide which binary attachment they need to view for the information they require.

When multiple forms or statements are required, the taxpayer has the option to put all like-kind statements or forms in one PDF file or creating a separate PDF file for each statement/form.

When a PDF is associated with an entity, enter the name (or part of the name if limited by the total number of characters) at the end of the suggested Description field.

## ARKANSAS ACKNOWLEDGEMENTS

The Arkansas acknowledgment system is designed to inform transmitters and EROs that the Arkansas return data has been retrieved and is being processed by the State of Arkansas. The Arkansas acknowledgment (ACKS) is separate from the federal acknowledgment. ***An acknowledgment from the Internal Revenue Service does NOT guarantee that the State of Arkansas has received or will receive the return.***

All transmitters can retrieve Arkansas acknowledgments through the IRS.

EROs must check acknowledgement records on a daily basis to identify returns requiring follow up action and should take reasonable steps to address issues identified on acknowledgement records.

Upon receipt of the State acknowledgment of an electronic Arkansas return, transmitters are required to notify their ERO's as to whether the return was Accepted or Rejected. ***If the return was rejected, the Arkansas reject code must be provided to the ERO's.***

An Arkansas accepted acknowledgment indicates that the return has been received and will be processed. The taxpayer should be advised to wait at least 10 business days from the date of acknowledgment before inquiring about his tax refund.

An Arkansas rejected acknowledgment indicates that the return has been rejected. The ERO must correct the return then either retransmit or file a paper return.

Any questions concerning returns with errors will be directed to the taxpayer or his agent who has power of attorney on file for the year in question.

If you are not receiving your ACKS, please contact your software company. The software company must contact the E-File Section; see Arkansas Modernized E-file Guide for Software Developers and Transmitters (Publication 4164).

# ARKANSAS E-FILE RETURN REJECT INFORMATION

Arkansas will reject electronically filed returns that do not meet the required specifications for the tax return being filed. See the Arkansas reject codes for the reject code number and message.

## **Perfection Period:**

An electronically filed return that has been rejected is given a 10 calendar day perfection period. A schema validation reject will **NOT** make it into the perfection period logic since we would not have been able to parse out a valid Id to use.

When a previously rejected electronic return is “Accepted” by Arkansas within the ten day Transmission Perfection Period, it will be deemed to have been received on the date of the first reject that occurred within the 10 day period.

If Arkansas rejects the electronic portion of an Arkansas income tax return for processing, and the ERO cannot rectify the reason for the rejection, the ERO must take reasonable steps to inform the taxpayer of the rejection within 24 hours. When the ERO advises the taxpayer that it has not filed the return, the ERO must provide the taxpayer with the reject code(s) accompanied by an explanation. If the taxpayer chooses not to have the electronic portion of the return corrected and transmitted to Arkansas or if Arkansas cannot accept the return for processing, the taxpayer must file a paper return. In order to timely file the return, the taxpayer must file the paper return by the later of the due date of the return or 10 calendar days after the date of Arkansas gives notification that it rejected the electronic portion of the return or that the return cannot be accepted for processing. Taxpayers should include an explanation in the paper return as to why they are filing the return after the due date.

## **Schema Validation Errors:**

A schema validation error is a software issue. If you are receiving a schema validation error, you will need to contact customer support for the software you are using to correct this issue. The State of Arkansas cannot provide assistance with schema validation errors.

## **Reject Codes:**

A complete listing of the Reject Codes is available on the e-file website:

[www.arkansas.gov/efile](http://www.arkansas.gov/efile)

## Paper Returns:

Tax returns that cannot be filed electronically must be filed by paper and mailed to the proper address shown below.

<b>PARTNERSHIP RETURNS</b>	<b>CORPORATION RETURNS</b>	<b>S-CORPORATION RETURNS</b>
Arkansas Income Tax P. O. Box 8056 Little Rock, AR 72203-8056	Arkansas Income Tax P. O. Box 919 Little Rock, AR 72203-0919	Arkansas Income Tax P. O. Box 919 Little Rock, AR 72203-0919

<b>FIDUCIARY REFUND RETURNS</b>	<b>FIDUCIARY TAX DUE RETURNS</b>	<b>FIDUCIARY NO TAX DUE RETURNS</b>
Arkansas Income Tax P. O. Box 1000 Little Rock, AR 72203-1000	Arkansas Income Tax P. O. Box 2144 Little Rock, AR 72203-2144	Arkansas Income Tax P. O. Box 8026 Little Rock, AR 72203-8026

**RETENTION OF FORM**  
**AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE**

Effective January 1, 2014 and for future years, Electronic Filers, Transmitters, and Electronic Return Originators must retain all signed AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE forms with all required schedules, attachments and information for three years from the due date of the return or the Arkansas received date, whichever is later.

## **RECORD KEEPING AND DOCUMENTATION REQUIREMENTS**

EROs must retain the following material/documents listed below until the end of the calendar year at the business address from which it originated the return or at a location that allows the ERO to readily access the material as it must be available at the time of the request from the State of Arkansas. An ERO may retain the required records at the business address of the Responsible Official or at a location that allows the responsible official to readily access the material during any period of time the office is closed, as it must be available at the time of request by the State of Arkansas to the end of the calendar year.

- A completed and signed copy of Form AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE, Income Tax Declaration for Electronic Filing and supporting documents that are not included in the electronic records submitted to the State of Arkansas;
- Copies of Forms W-2, W-2G and 1099-R;
- A complete copy of the electronic portion of the return that can be readily and accurately converted into an electronic transmission that the State of Arkansas can process; and
- The acknowledgement for the Arkansas accepted returns.
- The Submission ID can be added to the Form AR8453 or
- The acknowledgment containing the Submission ID can be associated with Form AR8453.

Form AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE must be available to the State of Arkansas for three years from the due date of the return or the Arkansas received date, whichever is later. The Submission ID must be associated with Form AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE.

If the acknowledgement is used to identify the Submission ID, the acknowledgement must be kept in accordance with published retention requirements for Form AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE. The acknowledgement is not required to be physically attached to Form AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE; it can be electronically stored.

EROs may electronically image and store all paper records they are required to retain for Arkansas e-file. This includes forms AR8453-PE, AR8453-C, AR8453-S, or AR8453-FE and paper copies of Forms W-2, W-2G and 1099-R as well as any supporting documents not included in the electronic record. The storage system must satisfy the requirements of Revenue Procedure 97-22, 1997-1 C.C. 652, Retention of Books and Records. In brief, the electronic storage system must ensure an accurate and complete transfer of the hard copy to the electronic storage media. The ERO must be able to reproduce all records with a high degree of legibility and readability (including the taxpayers' signatures) when displayed on a video terminal and when reproduced in hard copy.

# CHANGES TO THE TRANSMITTED RETURN

Once the Arkansas State return has been accepted, changes to the return cannot be made prior to processing. Below are the instructions for:

- Address Changes
- Other Changes to the State Tax Return

## Address Change:

ATAP (Arkansas Taxpayer Access Point) allows taxpayers or their representatives to log on to a secure site and manage their account online. You can access ATAP at [www.atap.arkansas.gov](http://www.atap.arkansas.gov)  
Some features are listed below:

- Make name and address changes
- View account letters
- Make payments
- Check refund status

**(Registration is not required to make payments or to check refund status.)**

## Other Changes to the State Tax Return:

If the transmitter or taxpayer wishes to make any changes after the return has been accepted and acknowledged, the corrected AR1050, AR1100CT, AR1100S, AR1002F or AR1002NR along with the **amended box checked**. The amended cannot be electronically filed.

The amended return must be mailed to the address below:

## Partnership Returns:

State Income Tax  
P. O. Box 8026  
Little Rock, AR 72203-8026

## Corporation and S-Corporation Returns:

Corporation Income Tax Section  
P. O. Box 919  
Little Rock, AR 72203-0919

## Fiduciary Returns:

State Income Tax  
P. O. Box 3628  
Little Rock, AR 72203-3628

## REFUND RETURNS

Electronically filed refund returns have three (3) options:

- Applied to the next year's estimated tax
- All or a portion applied to one of the Check-Offs on the AR1100-CO
- Refunded to them in the form of a paper refund check

**ARKANSAS DOES NOT ALLOW DIRECT DEPOSIT ON CORPORATE, S-CORPORATION, & FIDUCIARY RETURNS**

### Check-Off Contributions:

Taxpayers can choose to have all or a portion of their refund applied to one of eight (8) listed check-off contributions on the AR1100-CO. The AR1100-CO must be completed as part of the electronic record. If the taxpayer chooses to have a portion of the refund applied to check-off contribution(s), the remaining overpayment will be mailed.

**ARKANSAS DOES NOT ALLOW FIDUCIARY REFUNDS TO BE APPLIED TO CHECK-OFF PROGRAMS.**

# BALANCE DUE RETURNS

Electronically filed balance due return have two (2) options when making a payment.

- Payment with payment voucher (AR1100CTV OR AR1002V)
- Arkansas Taxpayer Access Point (ATAP)

**ARKANSAS DOES NOT ALLOW DIRECT DEBIT**

## **Payment Voucher (AR1100CTV OR AR1002V):**

The appropriate Arkansas payment voucher based on form type must accompany any sort of payment for the following balance due returns: Corporate, S-Corporation, and Fiduciary.

- Payment vouchers must be created and provided by the approved software.
- Pay with check or money order.
- NEVER send cash.
- Corporation's FEIN must be on the check or money order.
- Check or Money order made payable to: Department of Finance and Administration

The payment along with the AR1100CTV or AR1002V mailed to:

State Income Tax – ELF Payment  
P. O. Box 8149  
Little Rock, AR 72203-8149

## **Online:**

ATAP (Arkansas Taxpayer Access Point) allows taxpayers or their representatives to log on to a secure site and manage their account online.

You can access ATAP at [www.atap.arkansas.gov](http://www.atap.arkansas.gov) Some features are listed below:

- Make name and address changes
- View account letters
- Make payments
- Check refund status

**(Registration is not required to make payments or to check refund status.)**