

DEPARTMENT OF FINANCE AND ADMINISTRATION - REVENUE DIVISION

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2022

None

Employment Summary

	Male	Female	Total	%
White Employees	200	640	840	65 %
Black Employees	63	361	424	33 %
Other Racial Minorities	10	24	34	2 %
Total Minorities			458	35 %
Total Employees			1,298	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Ad Valorem Assessment Return	26-26-1601	N	N	250,000	Statutory requirement to file annual return	0	0.00
Amusement Machine Tax Register	26-57-404	N	N	200	Statutory requirement to register annually	0	0.00
Beauty Pageant Renewal-BPG	17-21-101	N	N	100	Statutory requirement to register annually	0	0.00
Beef Promotion Assessment Report	2-35-401	N	N	1,350	Statutory requirement to file monthly report	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Beer Excise Tax Report	3-7-104(6)(A)	N	N	500	Statutory requirement to file monthly report	0	0.00
Bingo Distributor Return-BIN	23-114-101	N	N	3	Statutory requirement to file monthly report	0	0.00
Bingo/Raffle Annual License Renewal-BRR	23-114-101	N	N	500	Statutory requirement to register annually	0	0.00
Bingo/Raffle Distributor License form- BRR	23-114-101	N	N	500	Statutory requirement to register annually	0	0.00
Brucellosis & Swine Testing Report	2-40-206	N	N	1,000	Statutory requirement to file monthly report	0	0.00
Catfish Feed Assessment Report	Act 790 of 1999	N	N	200	Statutory requirement to file a report on the 15th day following collection	0	0.00
Cigarette Excise Tax Report	26-57-201	N	N	1,000	Statutory requirement to file monthly report	0	0.00
Cigarette Paper Tax Report	26-57-801	N	N	1,000	Statutory requirement to file monthly report	0	0.00
Coin-Operated Vending Tax Register	Act 928 of 1997	N	N	2,000	Statutory requirement to register annually	0	0.00
Construction Permit Fee Report	Act 474 of 1999	N	N	200	Statutory requirement to file a report on the 15th day following collection	0	0.00
Corn & Grain Sorghum Assessment Report	Act 271 of 1997	N	N	200	Statutory requirement to file monthly report	0	0.00
Driver License Renewal Notice	None	N	N	520,000	To remind people when their license expires	0	0.00

A.C.A. 25-1-201 et seq.

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		Governor	General Assembly				
Electronic Game of Skill Tax Report-EGS	23-113-501	N	N	2	Statutory requirement to file monthly report	0	0.00
Estimated & Withholding Forms	26-51-806	N	N	155,500	Statutory requirement to file	0	0.00
Gross Receipts Tax Regulations	26-52-105	N	N	15,000	To provide sales and use tax reporting information and guidelines	0	0.00
IFTA Quarterly Report	26-55-1102	N	N	25,000	IFTA Agreement requires that all accounts must file a quarterly report	0	0.00
IFTA Renewal Application	26-55-1102	N	N	3,500	IFTA Agreement requires that all accounts must file an annual renewal	0	0.00
Imported Wine Tax Report	3-7-104(4)(5)	N	N	200	Statutory requirement to file monthly report	0	0.00
Income Tax Booklet	26-51-806	N	N	405,000	Statutory requirement to file annual return	0	0.00
Liquor Excise Tax Report	3-7-104	N	N	500	Statutory requirement to file monthly report	0	0.00
LPG Renewal Application	26-56-304	N	N	1,200	Required by the Motor Fuel Tax Law	0	0.00
Moving to Arkansas	None	N	N	1,000	Help new residents understand their tax obligations	0	0.00
Native Wine Tax Report	3-5-409	N	N	100	Statutory requirement to file monthly report	0	0.00
Natural Gas Purchaser Report-NGS	26-58-116	N	N	500	Statutory requirement to file monthly report	0	0.00

A.C.A. 25-1-201 et seq.

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		Governor	General Assembly				
Natural Gas Severance Producer Report-NGS	26-58-115	N	N	500	Statutory requirement to file monthly report	0	0.00
Oil & Brine Museum Fund Report	26-58-302	N	N	300	Statutory requirement to file monthly report	0	0.00
Property Tax Refund Claim Form	26-51-601	N	N	150,000	Statutory requirement to file a claim for refund annually	0	0.00
Registration Renewal Notice	27-14-1014	N	N	1,975,000	Required by law to notify owner of expiration	0	0.00
Rice Promotion Assessment Report	2-20-507	N	N	1,600	Statutory requirement to file monthly report	0	0.00
Sales & Use Tax Reporting Form	26-52-105	N	N	131,800	Statutory Requirement to file monthly/quarterly/annual report	0	0.00
Severance Tax Report	26-58-111	N	N	6,000	Statutory requirement to file monthly report	0	0.00
Soft Drink Assessment Report	26-57-901	N	N	2,500	Statutory requirement to file monthly report	0	0.00
Soybean Promotion Assessment Report	2-20-406	N	N	2,500	Statutory requirement to file monthly report	0	0.00
Starting a New Business	None	N	N	1,000	Provide business operators with a source of information concerning state business tax obligations	0	0.00
Telecommunications Tax Report-TEL	23-17-119	N	N	100	Statutory requirement to file monthly report	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Timber Processing Tax	26-58-111	N	N	5,000	Statutory requirement to file monthly report	0	0.00
Tobacco Excise Tax Report	26-57-201	N	N	1,000	Statutory requirement to file monthly report	0	0.00
Vehicle Certificate of Title	27-14-713	N	N	1,000,000	Required by law to convey ownership	0	0.00
Vehicle Registration Certificate	27-14-713	N	N	2,500,000	Required by law to be carried in vehicle	0	0.00
Waste Tire Assessment Report	23-3-510	N	N	20,000	Statutory requirement to file monthly report	0	0.00
Wheat Promotion Assessment Report	2-20-606	N	N	2,000	Statutory requirement to file monthly report	0	0.00

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2021-2022		2022-2023		2022-2023		2023-2024				2024-2025			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
1JN Commercial Drivers License Program	3,572,511	5	4,871,559	10	4,773,514	10	4,859,231	9	4,859,231	9	4,865,171	9	4,865,171	9
236 Individual Income Tax & Ad Valorem Prope	456,274,659	0	780,000,000	0	780,000,000	0	780,000,000	0	780,000,000	0	780,000,000	0	780,000,000	0
237 Corporate Income Tax	53,498,981	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0
239 Gasoline Tax Refunds	41,163	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0	1,500,000	0
240 Interstate Motor Fuel Tax Refunds	404,560	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0
241 Miscellaneous Tax Refunds	118,964,451	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0	260,000,000	0
281 Revenue Services Division - Operations	97,259,039	1,495	122,527,603	1,553	109,206,467	1,556	123,636,192	1,565	121,568,567	1,565	124,728,202	1,565	122,659,294	1,565
F10 MV Special Plates	3,413,544	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
M50 Revenue Miscellaneous Cash	20,583	0	4,110,000	0	24,000,000	0	24,000,000	0	12,000,000	0	24,000,000	0	12,000,000	0
Total	733,449,491	1,500	1,397,009,162	1,563	1,403,479,981	1,566	1,417,995,423	1,574	1,403,927,798	1,574	1,419,093,373	1,574	1,405,024,465	1,574

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	27,242,833	3.6	28,087,759	2.0	21,323,051	1.5	21,323,051	1.5	18,711,058	1.3	18,711,058	1.3
Special Revenue	4000030	9,769,791	1.3	4,000,000	0.3	5,501,500	0.4	5,501,500	0.4	5,557,500	0.4	5,557,500	0.4
State Central Services	4000035	84,000,000	11.0	120,636,863	8.5	119,126,848	8.4	119,126,848	8.4	120,215,595	8.5	120,215,595	8.5
Cash Fund	4000045	3,748,580	0.5	4,107,591	0.3	6,220,000	0.4	6,220,000	0.4	6,220,000	0.4	6,220,000	0.4
Inter-agency Fund Transfer	4000316	241,802	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	1,499	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Miscellaneous Adjustments	4000345	(3,056,012)	(0.4)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	11,918,124	1.6	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Tax Refunds	4000485	626,170,633	82.2	1,261,500,000	88.9	1,261,360,000	89.2	1,261,360,000	89.2	1,261,360,000	89.3	1,261,360,000	89.3
Transfer from Insurance Dept	4000543	1,500,000	0.2	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		761,537,250	100.0	1,418,332,213	100.0	1,413,531,399	100.0	1,413,531,399	100.0	1,412,064,153	100.0	1,412,064,153	100.0
Excess Appropriation/(Funding)		(28,087,759)		(21,323,051)		4,464,024		(9,603,601)		7,029,220		(7,039,688)	
Grand Total		733,449,491		1,397,009,162		1,417,995,423		1,403,927,798		1,419,093,373		1,405,024,465	

FY23 Budget Amount in FC(s) 1JN (Commercial Driver's License Program) and 281 (Operations) exceeds authorized amount due to salary and matching rate adjustments during the 2021-2023 Biennium. Authorized position count in FC(s) 1JN (Commercial Driver's License Program) and 281 (Operations) varies from Agency Request count due to a surrender of Fifty-five (55) positions for Fifty-three (53) pool positions. Variance in Fund Balance is due to unfunded appropriation.

Analysis of Budget Request

Appropriation: 1JN - Commercial Drivers License Program

Funding Sources: SDL - Commercial Driver License Fund

This appropriation provides for operating expenses of the Arkansas Commercial Driver License Program and for other related purposes as required by the Secretary of the Department of Finance and Administration (DFA) in carrying out the functions, powers, and duties of the DFA - Revenue Services Division. Fees collected for licenses issued are dedicated as special revenue to support this program.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting appropriation in the amount of \$4,859,231 in FY24 and \$4,865,171 in FY25.

The Agency Request includes the following changes in each year of the biennium:

- Various personnel changes which include reclassifications, upgrades, and/or downgrades with no change in appropriation.
- Increase of \$30,000 in Overtime appropriation to compensate employees with overtime payments versus accruing compensatory time. This includes an increase in Personal Services Matching appropriation of \$6,990.

The Executive Recommendation provides for the Agency Request with the exception of various personnel changes. These changes will be placed on hold for the new administration to review and recommend.

Appropriation Summary

Appropriation: 1JN - Commercial Drivers License Program
Funding Sources: SDL - Commercial Driver License Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2021-2022	2022-2023	2022-2023	2023-2024		2024-2025	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	173,731	369,997	297,682	330,510	330,510	330,510	330,510
#Positions		5	10	10	9	9	9	9
Personal Services Matching	5010003	88,233	149,210	123,480	146,369	146,369	152,309	152,309
Overtime	5010006	0	0	0	30,000	30,000	30,000	30,000
Operating Expenses	5020002	3,310,547	4,352,352	4,352,352	4,352,352	4,352,352	4,352,352	4,352,352
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		3,572,511	4,871,559	4,773,514	4,859,231	4,859,231	4,865,171	4,865,171
Funding Sources								
Fund Balance	4000005	11,652,338	7,840,745		6,969,186	6,969,186	7,611,455	7,611,455
Special Revenue	4000030	2,785,499	4,000,000		5,501,500	5,501,500	5,557,500	5,557,500
Inter-agency Fund Transfer	4000316	1,000	0		0	0	0	0
Miscellaneous Adjustments	4000345	(3,028,312)	0		0	0	0	0
Other	4000370	2,731	0		0	0	0	0
Total Funding		11,413,256	11,840,745		12,470,686	12,470,686	13,168,955	13,168,955
Excess Appropriation/(Funding)		(7,840,745)	(6,969,186)		(7,611,455)	(7,611,455)	(8,303,784)	(8,303,784)
Grand Total		3,572,511	4,871,559		4,859,231	4,859,231	4,865,171	4,865,171

FY23 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2021-2023 Biennium. Authorized position count varies from Agency Request count due to a surrender of one (1) position.

Analysis of Budget Request

Appropriation: 236 - Individual Income Tax & Ad Valorem Property Tax Rebates

Funding Sources: TGI - Individual Income Tax Withholding Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as deemed necessary.

This appropriation is used to refund individual taxpayers in such amounts as may be determined by the Chief Fiscal Officer of the State, the courts, and for property tax rebates levied on the assessed value of taxable real property, personal property, and utility property in the state.

Continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting to continue appropriation in the amount of \$780,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 236 - Individual Income Tax & Ad Valorem Property Tax Rebates

Funding Sources: TGI - Individual Income Tax Withholding Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2021-2022	2022-2023	2022-2023	2023-2024		2024-2025		
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive	
Refunds/Reimbursements	5110014	456,251,622	780,000,000	780,000,000	780,000,000	780,000,000	780,000,000	780,000,000	
Claims	5110015	23,037	0	0	0	0	0	0	
Total		456,274,659	780,000,000	780,000,000	780,000,000	780,000,000	780,000,000	780,000,000	
Funding Sources									
Fund Balance	4000005	749,706	859,894		859,894	859,894	859,894	859,894	
Miscellaneous Adjustments	4000345	210	0		0	0	0	0	
Other	4000370	3,286,513	0		0	0	0	0	
Tax Refunds	4000485	453,098,124	780,000,000		780,000,000	780,000,000	780,000,000	780,000,000	
Total Funding		457,134,553	780,859,894		780,859,894	780,859,894	780,859,894	780,859,894	
Excess Appropriation/(Funding)		(859,894)	(859,894)		(859,894)	(859,894)	(859,894)	(859,894)	
Grand Total		456,274,659	780,000,000		780,000,000	780,000,000	780,000,000	780,000,000	

Analysis of Budget Request

Appropriation: 237 - Corporate Income Tax

Funding Sources: TGC - Corporate Income Tax Withholding Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

This appropriation is used to make income tax refunds to corporate taxpayers in such amounts as may be determined by the Chief Fiscal Officer of the State or the courts.

Continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting to continue appropriation in the amount of \$200,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 237 - Corporate Income Tax

Funding Sources: TGC - Corporate Income Tax Withholding Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2021-2022	2022-2023	2022-2023	2023-2024		2024-2025	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Refunds/Reimbursements 5110014	53,498,981	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Total	53,498,981	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Funding Sources							
Other 4000370	1,116,733	0		0	0	0	0
Tax Refunds 4000485	52,382,248	200,000,000		200,000,000	200,000,000	200,000,000	200,000,000
Total Funding	53,498,981	200,000,000		200,000,000	200,000,000	200,000,000	200,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	53,498,981	200,000,000		200,000,000	200,000,000	200,000,000	200,000,000

Analysis of Budget Request

Appropriation: 239 - Gasoline Tax Refunds

Funding Sources: TBC - Gasoline Tax Refund Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

This appropriation is used for making motor fuel tax refunds derived from the fuel tax on gasoline and diesel. A refund results from an overpayment on taxes paid on fuel by a distributor or a supplier.

Continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting to continue appropriation in the amount of \$1,500,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 239 - Gasoline Tax Refunds

Funding Sources: TBC - Gasoline Tax Refund Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2021-2022	2022-2023	2022-2023	2023-2024		2024-2025	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Claims 5110015	41,163	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total	41,163	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000

Funding Sources							
Tax Refunds 4000485	41,163	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000
Total Funding	41,163	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	41,163	1,500,000		1,500,000	1,500,000	1,500,000	1,500,000

Analysis of Budget Request

Appropriation: 240 - Interstate Motor Fuel Tax Refunds

Funding Sources: TBB - Interstate Motor Fuel Tax Refund Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary.

The Interstate Motor Fuel Tax Refund fund consists of the amount, estimated quarterly, which is transferred monthly from gross motor fuel taxes and gross special motor fuel tax collections, to be used for paying refunds to interstate users of motor fuels and special motor fuels as set out in Ark. Code Ann. §§ 26-55-714 and § 26-56-215. Motor fuel tax refunds are derived from an interstate users over purchasing of tax paid fuel, usually diesel. The fuel is purchased by truckers in the State of Arkansas for use on the highway by vehicles weighing over 26,001 pounds, but where majority of the miles were traveled in another state.

Continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting to continue appropriation in the amount of \$20,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 240 - Interstate Motor Fuel Tax Refunds

Funding Sources: TBB - Interstate Motor Fuel Tax Refund Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2021-2022	2022-2023	2022-2023	2023-2024		2024-2025	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Refunds/Reimbursements 5110014	404,560	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total	404,560	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Funding Sources							
Fund Balance 4000005	1,447	2,697		2,697	2,697	2,697	2,697
Tax Refunds 4000485	405,810	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000
Total Funding	407,257	20,002,697		20,002,697	20,002,697	20,002,697	20,002,697
Excess Appropriation/(Funding)	(2,697)	(2,697)		(2,697)	(2,697)	(2,697)	(2,697)
Grand Total	404,560	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000

Analysis of Budget Request

Appropriation: 241 - Miscellaneous Tax Refunds

Funding Sources: MTA - Miscellaneous Revolving Fund

The Department of Finance and Administration - Revenue Services Division processes refunds for taxes paid from various sources. Appropriations to the Agency for Refunds/Reimbursements provide the mechanism necessary to refund collections of the various taxes as may be necessary. Some of the sources that fall into the category of miscellaneous tax refunds are:

- Cigarette and Tobacco Excise Taxes
- Alcoholic Beverage Excise Taxes
- Promotion Assessments
- Severance Tax
- Amusement Machine Tax
- Soft Drink Tax
- Real Property Transfer Tax
- Waste Tire Fee
- Vending Device Decal Act of 1997
- Construction Nonresidential Surcharge

Continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting to continue appropriation in the amount of \$260,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 241 - Miscellaneous Tax Refunds

Funding Sources: MTA - Miscellaneous Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2021-2022	2022-2023	2022-2023	2023-2024		2024-2025	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Refunds/Reimbursements	5110014	118,964,451	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000
Total		118,964,451	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000	260,000,000
Funding Sources								
Fund Balance	4000005	7,236,972	10,127,633		10,127,633	10,127,633	9,987,633	9,987,633
Miscellaneous Adjustments	4000345	(27,910)	0		0	0	0	0
Other	4000370	1,639,734	0		0	0	0	0
Tax Refunds	4000485	120,243,288	260,000,000		259,860,000	259,860,000	259,860,000	259,860,000
Total Funding		129,092,084	270,127,633		269,987,633	269,987,633	269,847,633	269,847,633
Excess Appropriation/(Funding)		(10,127,633)	(10,127,633)		(9,987,633)	(9,987,633)	(9,847,633)	(9,847,633)
Grand Total		118,964,451	260,000,000		260,000,000	260,000,000	260,000,000	260,000,000

Analysis of Budget Request

Appropriation: 281 - Revenue Services Division - Operations

Funding Sources: HSC - State Central Services

This State Central Services funded appropriation provides for the operation of the Department of Finance and Administration - Revenue Services Division which collects taxes, assures taxpayer compliance with the revenue laws of the State, maintains driver history records and titles and licenses motor vehicles. Sections of the Revenue Services Division include the following offices:

- Commissioner for Operations and Administration
- Commissioner for Policy and Legal
- Revenue Legal Counsel
- Income Tax
- Field Audit
- Motor Vehicle
- Excise Tax Administration
- Driver Services
- State Revenue Office Administration

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting appropriation in the amount of \$123,636,192 in FY24 and \$124,728,202 in FY25.

The Agency Request includes the following changes:

- Discontinue one (1) position with a decrease in Regular Salaries of (\$29,046) in both years of the biennium and Personal Services Matching appropriation of (\$13,698) in FY24 and (\$14,358) in FY25, as required by Ark. Code Ann. § 21-5-226.
- Restoration of seven (7) growth pool positions that were originally approved by the Arkansas Legislative Council in April 2022, with an increase in Regular Salaries of \$472,381 in both years of the biennium and Personal Services Matching appropriation of \$158,574 in FY24 and \$163,194 in FY25.
- Transfer of one (1) position to and one (1) position from DFA - Assessment Coordination Division with a total increase of \$408 in Regular Salaries and \$95 in Personal Services Matching in both years of the biennium. These transfers are necessary for better utilization of the positions.

- Transfer of four (4) positions from the DFA - Budget and Management Services Division (BA 0610 - Fund Center 272). This includes a increase in Regular Salaries of \$310,159 for both years of the biennium and Personal Services Matching appropriation of \$98,994 in FY24 and \$101,634 in FY25.
- Increase in Regular Salaries and Personal Services Matching appropriation associated with various personnel changes which include reclassifications, upgrades, and/or downgrades.
- Increase of \$455,000 in Overtime appropriation to compensate employees with overtime payments versus accruing compensatory time. This includes an increase in Personal Services Matching appropriation of \$106,016 in both years of the biennium.
- Restoration of \$600,000 in Capital Outlay to support building and equipment needs for the division in both years of the biennium.

The Executive Recommendation provides for the Agency Request with the exception of various personnel changes. These changes will be placed on hold for the new administration to review and recommend.

Appropriation Summary

Appropriation: 281 - Revenue Services Division - Operations

Funding Sources: HSC - State Central Services

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2021-2022	2022-2023	2022-2023	2023-2024		2024-2025	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	53,104,933	68,321,970	58,615,536	67,885,182	66,228,517	67,932,082	66,275,417
#Positions		1,495	1,553	1,556	1,565	1,565	1,565	1,565
Extra Help	5010001	371,301	240,000	240,000	240,000	240,000	240,000	240,000
#Extra Help		46	80	80	80	80	80	80
Personal Services Matching	5010003	21,800,617	25,730,633	22,115,931	26,821,010	26,410,050	27,866,120	27,453,877
Overtime	5010006	311,165	45,000	45,000	500,000	500,000	500,000	500,000
Operating Expenses	5020002	20,073,268	27,400,000	27,400,000	27,400,000	27,400,000	27,400,000	27,400,000
Conference & Travel Expenses	5050009	50,645	90,000	90,000	90,000	90,000	90,000	90,000
Professional Fees	5060010	25,560	100,000	100,000	100,000	100,000	100,000	100,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	1,521,550	600,000	600,000	600,000	600,000	600,000	600,000
Total		97,259,039	122,527,603	109,206,467	123,636,192	121,568,567	124,728,202	122,659,294

Funding Sources								
Fund Balance	4000005	2,350,952	3,690,919		1,800,179	1,800,179	0	0
Special Revenue	4000030	6,984,292	0		0	0	0	0
State Central Services	4000035	84,000,000	120,636,863		119,126,848	119,126,848	120,215,595	120,215,595
Inter-agency Fund Transfer	4000316	240,802	0		0	0	0	0
M & R Sales	4000340	1,499	0		0	0	0	0
Other	4000370	5,872,413	0		0	0	0	0
Transfer from Insurance Dept	4000543	1,500,000	0		0	0	0	0
Total Funding		100,949,958	124,327,782		120,927,027	120,927,027	120,215,595	120,215,595
Excess Appropriation/(Funding)		(3,690,919)	(1,800,179)		2,709,165	641,540	4,512,607	2,443,699
Grand Total		97,259,039	122,527,603		123,636,192	121,568,567	124,728,202	122,659,294

FY23 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2021-2023 Biennium. Authorized position count varies from Agency Request count due to a surrender of Fifty-four (54) positions for Fifty-three (53) pool positions.

Analysis of Budget Request

Appropriation: F10 - MV Special Plates

Funding Sources: NMV - MV Special Plates - Cash in Treasury

The installation of the Cash Management System (CMS) / Arkansas Integrated Revenue System (AIRS) has provided additional opportunities to change business processes to allow better internal controls to safeguard state assets.

This appropriation was established to make the necessary changes in the business processes for disbursing the Motor Vehicle Special License Plates fees to the proper entities.

Funding for this appropriation is provided by cash funds.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting to continue appropriation in the amount of \$4,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: F10 - MV Special Plates

Funding Sources: NMV - MV Special Plates - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2021-2022	2022-2023	2022-2023	2023-2024		2024-2025	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
MV Special Plates-Administrative 5900046	3,413,544	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total	3,413,544	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Funding Sources							
Fund Balance 4000005	354,107	349,379		349,379	349,379	249,379	249,379
Cash Fund 4000045	3,408,816	4,000,000		3,900,000	3,900,000	3,900,000	3,900,000
Total Funding	3,762,923	4,349,379		4,249,379	4,249,379	4,149,379	4,149,379
Excess Appropriation/(Funding)	(349,379)	(349,379)		(249,379)	(249,379)	(149,379)	(149,379)
Grand Total	3,413,544	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: M50 - Revenue Miscellaneous Cash

Funding Sources: NMV - Cash In Treasury (IRP/UCR Fees, Prepaid E911 Service Charge)

The Department of Finance and Administration, Revenue Services Division receives and collects fees from the International Registration Plan (IRP), Unified Carrier Registration (UCR), and E911 Service Charge.

The majority of fees and service charges are distributed to other entities for distribution and other purposes as authorized by law.

Funding for this appropriation is provided by cash funds.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting to continue appropriation in the amount of \$24,000,000 in each year of the biennium.

The Executive Recommendation provides for a reduction of appropriation in the amount of (\$12,000,000) in each year of the biennium.

Appropriation Summary

Appropriation: M50 - Revenue Miscellaneous Cash

Funding Sources: NMV - Cash In Treasury (IRP/UCR Fees, Prepaid E911 Service Charge)

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2021-2022	2022-2023	2022-2023	2023-2024		2024-2025	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Distribution Fees/Service Charge 5900046	20,583	4,110,000	24,000,000	24,000,000	12,000,000	24,000,000	12,000,000
Total	20,583	4,110,000	24,000,000	24,000,000	12,000,000	24,000,000	12,000,000
Funding Sources							
Fund Balance 4000005	4,897,311	5,216,492		1,214,083	1,214,083	0	0
Cash Fund 4000045	339,764	107,591		2,320,000	2,320,000	2,320,000	2,320,000
Total Funding	5,237,075	5,324,083		3,534,083	3,534,083	2,320,000	2,320,000
Excess Appropriation/(Funding)	(5,216,492)	(1,214,083)		20,465,917	8,465,917	21,680,000	9,680,000
Grand Total	20,583	4,110,000		24,000,000	12,000,000	24,000,000	12,000,000

Expenditure of appropriation is contingent upon available funding.