Pursuant to Ark. Code Ann. § 26-51-806, the Director of the Department of Finance and Administration has the authority to prescribe the form by which income tax returns are filed. In conjunction with that provision, the Director has authorized electronic filing of individual income tax returns beginning in January of 1996. The regulations are needed to prescribe the procedures for electronically filing income tax returns. The Director of the Department of Finance and Administration and the Commissioner of Revenue promulgate this regulation pursuant to the authority set out in Ark. Code Ann. § 26-18-301.

(1) Definitions:

(A) An “Electronic Filer” is a firm, organization or individual that participates in the Electronic Filing Program.

(B) An “Electronic Return Originator” (ERO) is a firm, organization or individual who deals directly with the taxpayer. An ERO may or may not be a preparer, as it is defined as an:

   (i.) “Electronic Return Preparer” who prepares tax returns, including AR8453, for taxpayers who intend to have their returns electronically filed; or

   (ii.) “Electronic Return Collector” who accepts completed tax returns including AR8453 from taxpayers who intend to have their returns electronically filed.

(C) A “Transmitter” is categorized as a firm, organization or individual who transmits electronic returns directly to the IRS Data Communications Subsystem.

(2) After the effective date of this regulation, preparers/transmitters of an electronic filing must provide the taxpayer a copy of the return and the AR8453.

(3) Taxpayers who choose to file their returns electronically must complete Part 2 of the AR8453; the “Declaration of Taxpayer.” After the return has been prepared and before the return is transmitted electronically, the taxpayer must verify the information on the return and the AR8453 and sign and date the AR8453. If filing a joint return, both signatures are required prior to the electronic transmission of the return.

(4) AR8453 is the electronic filing tax return for the purposes of taxpayer verification and signature. A blank form AR8453 is the same as a blank tax return. 

Preparer/transmitters and ERO’s shall not allow taxpayers to sign a blank return.
(5) It is permissible for the preparer to have the taxpayer review the completed tax return on a display terminal. The taxpayer should review the completed form AR8453 before signing and dating it.

(6) Before signing the AR8453, the taxpayer should review the attachments to the form including:

(A) State copies of Forms W2 (Attached to front of AR8453);

(B) State copies of Form 1099 (Attached to front of AR8453);
   NOTE: Forms 1099 are required only when Arkansas withholding occurs.

(C) Schedules/statements explaining tax differences between Arkansas and IRS.

(D) Documents requiring signatures, if applicable.

Executed this 5th day of May, 1996.

Richard Weiss, Director
Arkansas Department of Finance and Administration

Timothy Leathers, Commissioner of Revenue
Arkansas Department of Finance and Administration