

REGULATION 1991-1

SURETY BOND

Arkansas Code Ann. § 25-15-301 (1987) provides that the Commissioner of Revenues shall administer and enforce the provisions of every State tax law, including the Arkansas Gross Receipts Tax and the Arkansas Compensating Use Tax, and shall promulgate rules and regulations necessary for the enforcement thereof.

Arkansas Code Ann. § 26-18-301 and § 26-18-304 grants the Commissioner of Revenues the authority to promulgate this regulation. This regulation shall supercede Section (4) (c) (viii) of the Revenue Division Surety Bond Regulation, which was signed by the Director of the Department of Finance and Administration and the Commissioner of Revenue on June 25, 1987.

A. NOTICE OF TERMINATION:

A letter of credit given, in lieu of a bond, to secure the payment of any state tax may state that it may be terminated on a certain day, provided that a written notice of termination is received by the Commissioner from the taxpayer, or the issuer sixty (60) days prior to the date of termination.

B. LENGTH OF NOTICE:

The notice of termination shall be acknowledged in writing by the manager of the Tax Section for the notice of termination to be effective and for the sixty (60) day period to begin.

Executed this 20th day of May, 1991.

Jim Pledger, Director
Arkansas Department of Finance
And Administration

Tim Leathers, Deputy Director and
Commissioner of Revenue
Arkansas Department of Finance
and Administration