

Title 26. Taxation

Chapter I. Generally, Department of Finance and Administration

Subchapter F. Miscellaneous Taxes

Part 169. Nonresidential Construction Surcharge

Codification Notes. This part as promulgated prior to codification into the Code of Arkansas Rules provided as follows:

"Pursuant to the authority granted by Act 474 of 1999, the Director of the Department of Finance and Administration, in compliance with Ark. Code Ann. § 25-15-204, does hereby promulgate the following rules for the enforcement and administration of Arkansas law."

"Adopted this 1st day of October, 1999."

Subpart 1. Generally

26 CAR § 169-101. Definitions.

For purposes of this part, unless otherwise required by their context, the following definitions apply:

(1) "Nonresidential construction permit" means any construction permit issued by a political subdivision of this state for a nonresidential construction project;

(2) "Nonresidential construction project" means construction of a building or structure for any use other than a residential construction project;

(3)(A) "Residential construction project" means any project consisting of one (1) but not more than four (4) units of new construction for residential occupancy.

(B) The term "unit" includes any building or structure intended for use as a residence or living quarters for an individual or their family and shall include any storage buildings, utility buildings, garages, or fences appurtenant thereto; and

(4) "Surcharge" means a fee to be collected at the rate of fifty cents (\$.50) per each one thousand dollars (\$1,000) of construction authorized on nonresidential construction permits issued by a political subdivision.

Authority. Arkansas Code § 6-55-106.

26 CAR § 168-102. Effective date.

(a) Effective August 1, 1999, every political subdivision of this state shall collect a surcharge in the amount of fifty cents (\$.50) per each one thousand dollars (\$1,000) of construction authorized on any nonresidential construction permit issued by any political subdivision of this state.

(b) Each subdivision of this state shall be limited to collecting a maximum surcharge of one thousand dollars (\$1,000) on each nonresidential construction project receiving a permit.

Authority. Arkansas Code § 6-55-106.

26 CAR § 169-103. Administration.

(a)(1) The office of the political subdivision issuing the permit is responsible for remitting the surcharge to the Department of Finance and Administration, Miscellaneous Tax Section.

(2) This remittance must be made by the fifteenth day of the month following the month in which the fee was collected.

(3) The remittance shall be made on reports prescribed by the Secretary of the Department of Finance and Administration.

(b) The political subdivision shall retain five percent (5%) of each permit surcharge to cover the cost of administration.

Authority. Arkansas Code § 6-55-106.

26 CAR § 169-104. Audit and records.

(a)(1) Each political subdivision shall submit a report with remittance of the surcharge to the Department of Finance and Administration on the fifteenth day of the month following collection of the surcharge.

(2) The report shall detail:

(A) The total dollar amount of nonresidential construction permits issued by the political subdivision for the month;

(B) The total dollar amount of surcharge remitted to the department for the month;

(C) The total dollar amount retained by the political subdivision for administrative cost; and

(D) Any other information requested by the department related to the collection of the surcharge.

(b) The department shall audit and administer the surcharge in accordance with the Arkansas Tax Procedure Act, Arkansas Code § 26-18-101 et seq.

(c) Each political subdivision of the state is required to maintain records relating to the issuance of nonresidential construction permits and the collection of the surcharge from such issuance in accordance with the recordkeeping requirements of the Arkansas Tax Procedure Act.

Authority. Arkansas Code § 6-55-106.