

State of Arkansas
Department of Finance and Administration
Claim for Additional Local Tax Eligible for Rebate Instructions

Qualifying businesses may be eligible for a rebate of the additional local tax paid on qualifying business purchases on purchase invoices that exceed \$2,500.00. A qualifying business purchase means a purchase of tangible personal property or a taxable service for which a business may claim a business expense deduction or depreciation deduction for federal income tax purposes. The purchase will be eligible even though the business purchaser may not be required to file an income tax return. Some examples are governmental agencies (including schools and colleges or universities) and non-profit organizations (including churches).

For purposes of determining the rebate amount a uniform single transaction definition has been adopted effective January 1, 2008:

“Single transaction shall mean any sale of tangible personal property or taxable service reflected on a single invoice, receipt, or statement for which an aggregate sales or use tax amount has been reported or remitted to the state for a single local taxing jurisdiction.”

Rebates will no longer be issued by the city or county for purchases made on or after January 1, 2008

There is a one-year time limit for requesting a rebate which begins on the date of the purchase on the invoice or from the date of payment of the tax to the seller, whichever is later. Proof of payment in the form of canceled check, copies of front and back, or bank statement on bank letterhead or credit card statement for EFT payment is required when using the date of payment for invoices with an invoice date not within the one year limitation.

Invoice(s) must be billed to the Legal Name or DBA Name which the Department of Finance and Administration has on file for the Taxpayer claiming the rebate.

To request a rebate the customer will complete a *Claim for Local Tax Rebate* form which requires a listing of invoices on which the **city and county sales and use tax was paid in the state of Arkansas**. The completed form shall be submitted by the customer to the Sales and Use Tax Section along with photocopies of each of the invoices.

WHO MAY FILE A CLAIM FOR LOCAL TAX REBATES

In order to request a rebate of the local sales and use tax for qualifying purchases, the purchaser should complete **Form Number ET-179A** and the supplemental schedule **Form Number ET-179B**, if needed. The form requires a listing of the invoices on which the local tax has been paid to the seller and a determination of the amount of rebate owed to the purchaser as well as **photocopies of the invoices** for which the rebate is being requested. The completed form and copies of the invoices should be emailed to:

EFT.Refunds@dfa.arkansas.gov

or mailed to:

**Sales & Use Tax Section
P O Box 3566
Little Rock, AR 72203 3566**

Legible photocopies of all invoices to support the claim for rebate **must be attached** before the request will be processed. The invoice should provide an invoice date, invoice number, seller name and address, items or materials purchased, purchase price of items or materials purchased, and the amount of city and county sales and use tax paid. Invoices with missing pages will not be processed. Purchase Orders, Estimates, Pro Forma/Quotes, or Statements cannot be submitted in lieu of invoices.

If you are claiming Local Cap Rebate on your Excise Tax Return ET-1, claims made on the ET-179A form will be denied.

Denied Claims cannot be protested, however a denied claim can be resubmitted. The one year limitation begins with the date of resubmission.

Questions regarding local tax rates, or local tax rebates in general may be addressed to the Sales and Use Tax Section at (501) 682-7105.

INSTRUCTIONS FOR COMPLETING LOCAL TAX REBATE FORM ET-179A

Blocks (1) - (9) Company Information

Enter the name, federal ID, and mailing address of the business that is requesting the local cap rebate.

Blocks (10) - (16) Complete this section if you do not have a current Arkansas Sales Tax or Use Tax Permit

Enter the owner's name and business NAICS code. NAICS code information can be found at [NAICS Website](#). Select the business type. Enter the business location address and a business contact name and telephone number.

Blocks (17) – (20) Invoice Information

Enter the invoice number, the invoice date, and the city and county listed on the invoice. Enter each city or county on a **SEPARATE LINE**. A complete list of Arkansas local city and county rates and local city and county codes are listed on our web page at [City and County Rate List](#). Additional invoices may be listed on supplemental form ET-179B.

Blocks (21) – (28) Local Cap Rebate Calculations

Block 21: **Local Tax Rate:** Enter the local tax rate.

Block 22: **Invoice Amount:** Enter the invoice amount less tax paid and non taxable item.

Block 23: **Standard Cap Amount:** \$2,500.00 per local per invoice.

Block 24: **Invoice Amount Less Cap:** Subtract block 23 from block 22 and Enter the difference in Block 24.

Block 25: **Rebate Amount:** Multiply block 21 times block 24. Enter the result.

Block 26: **Rebate Claim Amount:** Enter total of rebate claim amount(s) listed in block 25.

Block 27: **Rebate Claim Amount Sub-Total:** Enter total of rebate claim amount from supplemental sheet.

Block 28: **Total Rebate Claim Amount:** Add blocks 26 and 27 and Enter total rebate claim amount.

Blocks (30) - (31) **Print Name, Signature, and Date:** Signature of person authorized to request refund on behalf of the business submitting claim and date of claim. **Claims which are not signed and dated will NOT be processed.**

Photocopies of all invoices must be attached to the request before the request will be processed.

Example:

17) Invoice Number	18) Invoice Date	19) City/County Where Purchased or Delivered/ Shipped	20) City/County Tax Code	21) Local Tax Rate	22) Invoice Amount (Do Not Include Tax Paid or Non Taxable Items)	23) Standard Cap Amount	24) Invoice Amount Eligible for Rebate (Block 22 Minus Block 23)	25) Rebate Amount
123456	10/25/2023	Little Rock	60-05	1.125 %	\$20,000.00	- \$2,500.00 =	\$17,500.00	\$196.88
123456	10/25/2023	Pulaski County	60-00	1 %	\$20,000.00	- \$2,500.00 =	\$17,500.00	\$175.00

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
CLAIM FOR LOCAL TAX REBATE FORM ET-179A**

- Attach Supporting Documents
- Read Instructions

Sales Tax Permit #			
1) Company Name		2) FEIN	
3) Mailing Address		4) City	5) State
7) Contact Name		8) Contact Phone Number	9) Contact Email
6) Zip			

If you do not have an Arkansas Sales Tax Permit Number, complete the following section.

10) Owner's Name			
11) NAICS Code of Business		12) Type of Ownership	
13) Location Address		14) City	15) State
		16) Zip	

Please complete the section below with information from the sales invoices on which you are claiming the local tax rebate. Please Note: Information provided on this form will be subject to Audit. Information found to be fraudulent will result in loss of your local tax rebate and assessment of penalties.

17) Invoice Number	18) Invoice Date	19) City/County Where Purchased or Delivered/ Shipped	20) City/County Tax Code	21) Local Tax Rate	22) Invoice Amount (Do Not Include Tax Paid or Non Taxable Items)	23) Standard Cap Amount	24) Invoice Amount Eligible for Rebate (Block 22 Minus Block 23)	25) Rebate Amount
				%		- \$2,500.00 =		
				%		- \$2,500.00 =		
				%		- \$2,500.00 =		
				%		- \$2,500.00 =		
				%		- \$2,500.00 =		
				%		- \$2,500.00 =		

Under penalties of law, I declare that the amount of sales or use tax for which I am submitting this claim for refund has NOT been refunded or credited to me by the Department or the seller to whom the tax was previously paid. I will immediately send payment for any such duplicate refund to the Arkansas Department of Finance & Administration; PO Box 3566, Little Rock, AR 72203-3566.					26) Rebate Claim Amount (From Invoice(s) Listed Above)		
29) Print Name					27) Rebate Claim Amount (Local Tax Rebate Supplemental Sheet Total)		
30) Signature				31) Date	28) Total Rebate Claim Amount (Combine Line 26 and 27)		

Phone: 501-682-7105
Email: EFT.Refunds@dfa.arkansas.gov
Fax: 501-683-7904

Sales & Use Tax Section
P.O. BOX 3566
Little Rock, AR 72203-3566