STATEMENT OF IMMINENT PERIL

Standard mileage rates are issued annually by the IRS for the purpose of calculating adjustments and deductions to come. The Director of the Arkansas Department of Finance and Administration has determined that Rule 2005-6 is necessary to implement the mileage rates for use by Arkansas individual income taxpayers to be consistent with the change made by the IRS for the months of September through December 2005. The Director has, therefore, determined that a state of imminent peril exists requiring the adoption of Emergency Rule 2005-6 on an emergency basis. Pursuant to *Ark. Code Ann.* § 25-15-204(b), Emergency Rule 2005-6 shall be effective September 1, 2005.

Issued this _________ day of September 2005.

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Richard A. Weiss, Director Arkansas Department of Finance and Administration	Tim Leathers, Commissioner of Revenue, Department of Finance and Administration

Agency # 006.05

EMERGENCY RULE 2005-6

STANDARD MILEAGE RATES FOR INCOME TAX PURPOSES

The Commissioner of Revenue, pursuant to his authority under *Ark. Code Ann.* §§ 26-18-301 and 26-51-423(a)(3), does hereby issue the following regulation:

> The optional standard mileage rate, for use by employees or self-employed individuals in computing the income tax deductible costs of operating passenger automobiles owned by them for business purposes, is forty and one-half cents (40.5¢) per mile for expenses paid or incurred during the 2005 calendar year between January 1, 2005 and August 31, 2005, and forty-eight and one-half cents (48.5¢) per mile for expenses paid or incurred during the 2005 calendar year between September 1, 2005 and December 31, 2005.
>
> The optional mileage rate for use by individuals in computing the income tax deductible costs of operating passenger automobiles owned by them for a charitable organization is fourteen cents (14¢) per mile.
>
> The optional standard mileage rate allowed in computing the cost of operating a passenger automobile where transportation expenses are deductible as a medical or moving expense is fifteen cents (15¢) per mile for expenses paid or incurred during the 2005 calendar year between January 1, 2005 and August 31, 2005 and twenty-two cents per mile (22¢) per mile for expenses paid or incurred during the 2005 calendar year between September 1, 2005 and December 31, 2005.
>
> The standard mileage rate for business use of a vehicle by a rural mail carrier as set by the Internal Revenue Service for tax year 2005 is hereby adopted. Reimbursement for a carrier's mileage shall be treated as a payment from a qualified plan. As such, mileage reimbursement will be excluded from a carrier's gross income. However, a carrier will not be allowed to deduct vehicle-related expenses incurred while working as a rural mail carrier.
>
> The mileage rates stated above shall be in effect for tax years beginning on and after January 1, 2005.

Issued this _________ day of September 2005 in the City of Little Rock, Pulaski County, Arkansas.

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Richard A. Weiss, Director
Arkansas Department of Finance and Administration

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