

ARKANSAS REGISTER



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91 MAR 29 AM 11:30

Transmittal Sheet

W.J. "BILL" McCuen
SECRETARY OF STATE
LITTLE ROCK, ARKANSAS

BY _____

W.J. "BILL" McCuen
Secretary of State
State Capitol
Little Rock, Arkansas 72201-1094

For Office
Use Only:

Effective Date 3-29-91 Code Number 006.05.91--001

Name of Agency Department of Finance and Administration

Department Division of Revenue

Contact Person Cora L. Gentry Telephone 682-7030

Statutory Authority for Promulgating Rules _____

Ark. Code Ann. 26-18-301

Intended
Effective Date

Date

Legal Notice Published _____

☒ Emergency

Final Date for Public Comment _____

☐ 20 Days
After Filing

Filed With Legislative Council 3/29/91

☐ Other

Reviewed by Legislative Council _____

Adopted by State Agency 4/1/91

CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted
In Compliance With Act 434 of 1967 As Amended.

Cora L. Gentry
SIGNATURE

Revenue Legal Counsel
TITLE

March 29, 1991
DATE

DATE

006.05.91--001

EMERGENCY
REGULATION 1991-1
SURETY BOND

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LITTLE ROCK, ARKANSAS

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.

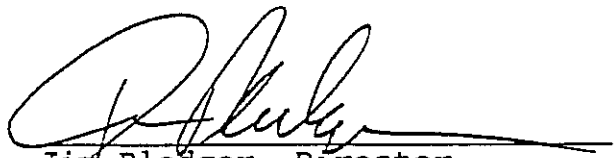
B. LENGTH OF NOTICE:


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.

C. EFFECTIVE DATE:

This Regulation shall become effective on April 1, 1991.

Executed this 28th day of March, 1991.


Jim Pledger, Director
Arkansas Department of Finance
and Administration


Tim Leathers
Commissioner of Revenues
Arkansas Department of Finance
and Administration

FINDINGS OF IMMINENT PERIL AND
STATEMENT OF REASONS THEREFOR

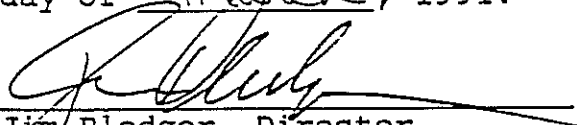
Arkansas Code Ann. §26-15-301 (1987) provides that the Commissioner of Revenues shall administer and enforce the provisions of every State tax law, including the Arkansas Gross Receipts Tax and the Arkansas Compensating Use Tax, and shall promulgate rules and regulations necessary for the enforcement thereof.


The current Surety Bond Regulations require written notice to be given sixty (60) days before a bond securing the payment of taxes can be terminated, but requires six (6) months advance notice of termination to cancel a letter of credit, given in lieu of a bond to secure the payment of tax. To avoid disparate treatment and to ensure impartiality, this emergency regulation reduces the length of time for advance notice of termination of letters of credit to sixty (60) days, the same length of time required for bonds.

As authorized by Arkansas Code Ann. §25-15-204 (Supp. 1989), this emergency regulation will become effective April 1, 1991.

For the above reasons, it is found that there exists an imminent peril to the welfare of the State of Arkansas and the attached emergency regulation regarding the notice of termination of surety bond, is necessary.

Executed this 28th day of March, 1991.


Jim Pledger, Director
Arkansas Department of Finance
and Administration


Tim Leathers
Commissioner of Revenues
Arkansas Department of Finance
and Administration