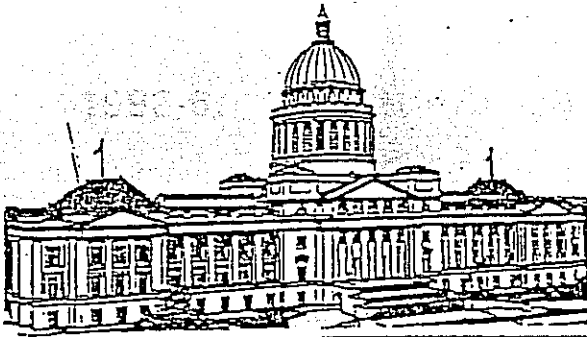


# ARKANSAS REGISTER

## Transmittal Sheet



Sharon Priest  
Secretary of State  
State Capitol Rm. 01  
Little Rock, Arkansas 72201-1094

For Office Use Only: Effective Date 10/24/98 Code Number 006.05.98-026

Name of Agency Department of Finance & Administration

Department Revenue Division

Contact Person Don Zern Phone 682-7751

Statutory Authority for Promulgating Rules Ark. Code Ann. 26-18-301  
Regulation 1998-6 Standard Mileage Rate

	Date
Intended Effective Date	Legal Notice Published . . . . . <u>9/12/98</u>
<input type="checkbox"/> Emergency	Final Date for Public Comment . . . . . <u>10/2/98</u>
<input checked="" type="checkbox"/> 10 Days After Filing	Filed With Legislative Council . . . . . <u>9/17/98</u>
<input type="checkbox"/> Other	Reviewed by Legislative Council . . . . . <u>Yes</u>
	Adopted by State Agency . . . . . <u>10/12/98</u>

### CERTIFICATION OF AUTHORIZED OFFICER

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

Don Zern  
Signature

682-7751  
Phone Number

Taxpayer Information Officer  
Title

October 14, 1998  
Date

FILED  
AR. REGISTER DIV.  
98 OCT 14 PM 12:49  
STATE OF ARKANSAS

*Arkansas Department of Finance and Administration  
Regulation*

**1998-6. STANDARD MILEAGE RATES FOR INCOME TAX  
PURPOSES**

The Commissioner of Revenue, pursuant to his authority under ARK. CODE ANN. § 26-18-301 and ARK. CODE ANN. § 26-51-423, does hereby issue the following regulation. This regulation supersedes Revenue Division Regulation 1997-3.

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 thirty-two and one-half cents (32.5¢) per mile.

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 ten cents (10¢) per mile.

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 1998 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 beginning on and after January 1, 1998.

Issued and hereby effective this 12 day of October, 1998 in the City of Little Rock, Arkansas.



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Tim Leathers, Commissioner of Revenue and  
Acting Director, Department of Finance and Administration

DEPARTMENT: Department of Finance and Administration  
DIVISION Revenue Division:  
PERSON COMPLETING  
THIS STATEMENT: John Theis, Assistant Commissioner of Revenue, Policy and Legal  
TELEPHONE NO.: (501) 682-7000  
FAX NO.: (501) 682-7900

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RECEIVED  
OFFICE OF THE ATTORNEY GENERAL  
STATE OF ARKANSAS

BY \_\_\_\_\_

FINANCIAL IMPACT STATEMENT

To comply with Act 884 of 1995, please complete the following Financial Impact Statement and file with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE: Regulation 1998-6 -- (Standard Mileage Rate For Income Tax Purposes)

1. Does this proposed, amended, or repealed rule or regulation have a financial impact?  
Yes: No: **XX**
2. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.
3. If the purpose of this rule or regulation is to implement a federal rule or regulation, please give the incremental cost for implementing the regulation. **Does Not Apply.**

1997-98 Fiscal Year

1997-98 Fiscal Year

General Revenue: \_\_\_\_\_  
Federal Funds: \_\_\_\_\_  
Cash Funds: \_\_\_\_\_  
Special Revenue: \_\_\_\_\_  
Other: \_\_\_\_\_  
Total: \_\_\_\_\_

General Revenue: \_\_\_\_\_  
Federal Funds: \_\_\_\_\_  
Cash Funds: \_\_\_\_\_  
Special Revenue: \_\_\_\_\_  
Other: \_\_\_\_\_  
Total: \_\_\_\_\_

None

None

4. What is the total estimated cost by fiscal year to any party subject to the, proposed, amended, or repealed rule or regulation? **None.**

1997-98 Fiscal Year

**None**

1998-99 Fiscal Year

**None**

5. What is the total estimated cost by fiscal year to the agency to implement this regulation?

1997-98 Fiscal Year

**No additional cost**

1998-99 Fiscal Year

**No additional cost**