



INSTRUCTIONS FOR FORM AR941PT

These instructions are used to report on Form AR941PT the tax withheld on nonresident member(s) of a pass-through entity as reported on AR1099PT(s). Enter the Pass-Through Entity information including FEIN, NAME, ADDRESS, NAICS Code, and Date Began Business in Arkansas in the top section.

INITIAL RETURN: Check if this is the first return for this entity to establish a new withholding pass-through account. New filers only.

AMENDED RETURN: Check if filing an amended return.

FINAL RETURN (Going out of business): check this box if going out of business and the account should be closed with no future returns to be filed.

TOTAL NUMBER OF NON-RESIDENT MEMBERS: Enter the total number of non-resident members whose income tax was withheld and reported on this return.

TOTAL INCOME REPORTED TO NON-RESIDENT MEMBERS: Enter the total income to be reported that is subject to withholding requirements. Note: Do not include exempt income or income reported on AR1000CR or AR1100PET.

Important: Only include nonresident members who are subject to Arkansas withholding and from whom tax has been withheld. The total number of nonresident members and the total income reported should reflect only those members. Do not include members or income/loss amounts not subject to withholding or for which no withholding was made.

TOTAL TAX WITHHOLDING REQUIRED: Enter the total tax withheld from the total income reported. Include amounts from Upper-Tier Pass-Through Entities. §26-51-919(b)(1)(A)(i): A pass-through entity shall withhold Arkansas income tax at the highest income tax rate levied under §§ 26-51-201, 26-51-202, and 26-51-205 on the share of income of the pass-through entity that is derived from or attributable to sources within this state and distributed to each nonresident member. Rates are listed below:

- 3.9% for individuals for tax years beginning on or after January 1, 2024
- 4.3% for Corporations for tax years beginning on or after January 1, 2024

NOTE: Do not include the amount of any payments you have made or will make to the state for tax due on this return. Do not include exempt income or income reported on AR1000CR or AR1100PET.

WITHHOLDING TAX PAID BY PASS-THROUGH ENTITY: Enter the amount of withholding tax being claimed from Upper-Tier Pass-Through Entities for amounts withheld from AR1099PTs received. Complete form AR1100-WH and attach it with the return to reconcile the total amounts being claimed by the entity. **Attach form AR1100-WH as well as any AR1099PT forms to substantiate withholding amounts paid from Upper-Tier Pass-Through Entities.**

ARKANSAS TAX WITHHELD FROM NON-RESIDENT MEMBERS: Enter the total tax withheld. Subtract any amounts on Line 3 from Line 2. This is the Tax Due amount to be paid with the AR941PT return.

INFORMATION RETURNS: Complete a form AR1099PT for each non-resident member whose income tax was withheld and reported on this return. The amount(s) reported on this AR941PT must equal the amount(s) on the AR1099PT(s). You must send two (2) copies of the AR1099PT to the non-resident member by the 15th day of the fourth month of the close of your tax year (April 15 for calendar year filers.) Keep one copy of the AR1099PT for your records. Attach a copy of each AR1099PT to the Form AR941PT return. Do not send a copy of the AR1099PT to the Individual Income Tax Section unless requested.

Attach a copy of all Form AR1099PT(s) and AR4PT(s) with your Form AR941PT return.