

**State of Arkansas
Department of Finance and Administration
Income Tax Administration**



**Corporate Income Tax
Letter of Intent
Tax Year 2021**

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Due Date: November 30th

REVISIONS

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State of Arkansas Tax Software Provider Letter of Intent Corporate Income Tax Returns

Tax Year
2021

Welcome to the Income Tax Letter of Intent (LOI). If your software company intends to submit electronic and/or paper returns to the **Arkansas Department of Finance and Administration, Income Tax Administration** you will need to complete this form and submit it to ARefile@dfa.arkansas.gov.

By submitting this Letter of Intent (LOI) to the **Arkansas Department of Finance and Administration, Income Tax Administration**, you agree to meet our standards for software provider registration, tax preparation software, and substitute forms. If you do not meet the standards and requirements explained in this LOI, we may deny your application or revoke your approved software provider status and reject all electronic and/or paper returns submitted using your products.

You must complete a separate LOI for each unique product your company offers. We may reject an incomplete Letter of Intent.

Note: If you are a new Software Provider who has not filed city/state income tax returns with any city or state agencies, you must have passed assurance testing with the IRS. Attach documentation from the IRS demonstrating you have successfully tested with the IRS.

IMPORTANT DATES:

The **Arkansas Department of Finance and Administration, Income Tax Administration** has important key dates to ensure we are ready for the filing season and taxpayers can file an accurate and timely tax return. Please note the following key dates:

- Complete and submit this form by Nov 31st.
- Assurance testing (ATS) begins on same date as the IRS.

MODERNIZED EFILE (MeF): (ATS deadline is January 1st)

Arkansas income tax form: AR1100CT Check if product does not support efile

SUBSTITUTE FORMS: (Substitute forms and voucher approval deadline is January 1st)

Arkansas income tax form: AR1100CT

Filing status not supported Filing Status 4: Consolidated Returns

COMPANY INFORMATION:

Company Name: _____ DBA Name: _____

Address: _____

City, State, & Zip: _____

Company FEIN: _____ State Tax Account Number: _____

Website Address (URL): _____

NACTP Member Number: _____

PRODUCT INFORMATION: (Only one product per letter of intent)

Product Name: _____

Type of Software Product:

DIY/Consumer (Web-Based)

Professional/Paid Preparer (Web-Based)

DIY/Consumer (Desktop)

Professional/Paid Preparer (Desktop)

Arkansas Issued Software ID: _____
(From previous year or if new product Arkansas will issue the new software id)

IRS ISSUED ELECTRONIC IDENTIFICATION NUMBERS:

Testing ETIN(s): _____

Testing EFIN(s): _____

Production ETIN(s): _____

Production EFIN(s): _____

Support Contacts

MeF Support

ATS results and the software approval letter will be sent to the contact(s) listed below via e-mail. We do not send ATS results and approval letters to developers not listed.

Primary Contact: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Secondary Contact: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Additional Contact: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Forms Support

Arkansas forms will **not** be posted to the Arkansas draft website.

Primary Contact: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Secondary Contact: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Additional Contact: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Regulatory/Compliance Support

Primary Contact: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Secondary Contact: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Leads Reporting Support

Primary Contact: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Secondary Contact: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Authorized access to the State Exchange System

On page 10, provide information for each employee you are authorizing for access to the State Exchange System.

Rebranded Software Products

Complete this section only if your product is rebranded.

For software to be considered rebranded, changes cannot be made to the software requirements and output(s). As the Software company selling and/or licenses your product to a third-party, it is your responsibility to make sure the rebranded product reflects the current software requirements and output(s). List each of your rebranded product below.

Use one of the following class codes for each product:

- **Class Code 1:** Software products sold/licensed to a third-party user and the third-party user can add their own logos and/or splash screens, but they cannot modify calculations in the program.
- **Class Code 2:** Software products sold/licensed to a third-party user and the third-party user can modify calculations in the program.

Rebranded Product Name: _____ Class Code: _____ ETIN: _____
Contact Person: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Rebranded Product Name: _____ Class Code: _____ ETIN: _____
Contact Person: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Rebranded Product Name: _____ Class Code: _____ ETIN: _____
Contact Person: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Rebranded Product Name: _____ Class Code: _____ ETIN: _____
Contact Person: _____
Phone Number (United States Only): _____
E-Mail Address: _____

Rebranded Product Name: _____ Class Code: _____ ETIN: _____
Contact Person: _____
Phone Number (United States Only): _____
E-Mail Address: _____

***If there are more than 5 software products that have rebranded under a different name, please list them on a separate sheet and attach with your LOI submission.**

For Rebranded Products, the Arkansas Department of Finance and Administration, Income Tax Administration has the following requirement for paper forms and/or e-File ATS approval:

- Rebranded Products with class code 2 are required to complete the full e-file ATS/paper form approval process

Forms and Schedules Supported

Check the boxes of the forms and schedules your company supports. If there is a check in the “mandated for E-file” column, your company is required to submit these returns electronically.

Note: Arkansas requires the forms listed below to be submitted for review and approval.

* Act 143 has been signed into law. A tax practitioner that files a taxpayer’s federal income tax return electronically shall also file the taxpayer’s Arkansas income tax return electronically.

CORPORATION INCOME TAX				
AR Forms & Schedules	E-file Mandated	Forms	E-File	E-File Amended
AR1100CT	<input checked="" type="checkbox"/> *	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR1023CT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR1036	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR1100BIC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR1100-CO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR1100NOL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR1100REC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR1100WH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR1155 (Form)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR1155 (Voucher)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR2220	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR2220A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR K-1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR-AIS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR8453-C	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR1100CTV	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AR1100ESCT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Agency Requirements

This section identifies agency requirements and expectations of new and existing Software Providers and the software product.

Issue Notification and Resolution Requirements

This section represents the **Arkansas Department of Finance and Administration, Income Tax Administration** issue notification and issue resolution standards.

Data breaches, security incidents, or other improper disclosures of taxpayer data that by law require reporting to the Arkansas Attorney General must also be reported to the **Arkansas Department of Finance and Administration, Income Tax Administration**.

Notify by email (ARefile@dfa.arkansas.gov) or call (501) 682-7925 with information regarding any incorrect and/or missing calculation or e-File data element for any paper or electronically returns submitted to the **Arkansas Department of Finance and Administration, Income Tax Administration**.

Production Return Submission Requirements

All returns generated from this software must be electronically filed or printed from the initially approved software or a subsequent product update.

Product Updates

Desktop product users who attempt to file 10 or more business days after a production release must be required to download and apply the product update.

Schemas

Your software must adhere to the schema requirements. **Arkansas Department of Finance and Administration, Income Tax Administration** schema information requirements can be found on the State exchange system.

System Security Requirements

The **Arkansas Department of Finance and Administration, Income Tax Administration** does not prescribe the security requirements for your system. You are responsible for implementing appropriate security measures to protect taxpayers and their information in your system. You must apply security measures to protect taxpayer information in your system when it is on-line, off-line, at rest, and in transit.

Testing and Submission Requirements

All e-file ATS and substitute forms tests submitted during the approval process must be created in, and originate from, the actual software.

Agency Requirements (Continued)

Validation of Data Elements

This section represents **Arkansas Department of Finance and Administration, Income Tax Administration** requirements for validation of specific data elements.

Software Vendors cannot release Arkansas income tax forms in software products until approval has been received by the State of Arkansas.

Arkansas income tax returns cannot be prepared nor can taxpayers receive an “early look” until all new year changes have been updated to the software product.

All updates must be updated in the tax software before allowing printing of tax returns.

All software products must have a two step verification for all routing and account numbers.

Transferring data year-over-year that is not initially entered accurately causes issues with processing tax returns. The following items should not be transferred year over year:

- State driver’s license data elements
- Bank account numbers
- State identity PIN’s

Do not mask or truncate taxpayer information

Data Breach Reporting

All software providers executing this agreement are subject to the data breach security laws and/or regulations of the **State of Arkansas and the Department of Finance and Administration** noted below, including but not limited to provisions regarding who must comply with the law, definitions of “personally identifiable information”, what constitutes a breach, requirements for notice, and any exemptions.

Arkansas Code Title 4 Business and Commercial Law / Subtitle 7 Consumer Protection

- Chapter 110 Personal Information Protection Act / A.C.A. § 4-110-101-108
- <https://arkansasag.gov/consumer-protection/identity/column-one/security-or-data-breach/>

Software providers who discover an internal or client data breach must notify the State of Arkansas within twenty-four (24) hours. The notification must include all information available with regard to the clients and/or users affected. Notifications can be sent to Arkansas Electronic Filing Section using the following contact information:

- **Phone:** (501) 682-7925
- **Email:** ARefile@dfa.arkansas.gov

Customer Notices

This section identifies information **Arkansas Department of Finance and Administration, Income Tax Administration** is requiring the software providers to communicate with customers.

Disclosure and Use of Information Language Expectations

You must include the following consent language with electronic filing software.

For Do-It-Yourself software:

*By using a computer system and software to prepare and file my tax return(s) electronically, I consent to the transmission of my return(s) and to the disclosure of all information about my use of the system and software to the **Arkansas Department of Finance and Administration, Income Tax Administration**.*

For Tax Professional software:

*By using a computer system and software to prepare and file my client's return(s), I consent to the transmission of my client's return(s) and to the disclosure of all information about my use of the system and software **Arkansas Department of Finance and Administration, Income Tax Administration**.*

For Business software:

*By using a computer system and software to prepare and file this business tax return(s), I consent to the transmission of the return(s) and to the disclosure of all information about the use of the system and software to **Arkansas Department of Finance and Administration, Income Tax Administration**.*

State Driver's License/ID Card Expectations - (Individual Income Tax Only)

Arkansas Department of Finance and Administration, Income Tax Administration is providing the following expectations and information:

For e-File returns:

■ **Arkansas** requests the DL/ID card be included with the tax return but won't reject it if it's not included.

For printed/paper forms requesting the DL/ID Card Information:

■ **Arkansas** requests the full DL/ID Card Information on the form(s)

Arkansas Department of Finance and Administration, Income Tax Administration is providing a URL and/or a statement for the DL/ID Card. All Do It Yourself (DIY) and Tax Professional software packages must include this information in your software. The message is expected to be displayed within the software in a way to maximize the likelihood the message is read.

URL: <https://www.dfa.arkansas.gov/income-tax/individual-income-tax/>

Statement: The State of Arkansas is requesting additional information this filing season in an effort to combat identity tax fraud and ensure that your hard-earned tax refund goes to you. Providing information from your driver's license or state issued identification card will help protect your identity and could help process your return quicker. However, this is only a request. Information from your driver's license is not required, and your return will be processed without the additional information. The information is being requested solely to help protect your identity and ensure a more-secure refund.

Customer Notices (Continued)

State Documents and Materials

All **Arkansas** income tax forms, publications and schemas will be posted on the FTA State Exchange System (SES).

State Refund Expectations - (Individual Income Tax Only)

Arkansas Department of Finance and Administration, Income Tax Administration is providing a URL and statement about refund processing. You must include the URL and statement in all your products and show it to users within the software in the most prominent way possible.

URL: www.atap.arkansas.gov (**Arkansas “Where’s My Refund”**)

Statement:

Identity Theft has been a growing problem nationally and the Department is taking additional measures to ensure tax refunds are issued to the correct individuals. These additional measures may result in tax refunds not being issued as quickly as in past years.

Tax Due Expectations

Arkansas Department of Finance and Administration, Income Tax Administration is providing a URL and statement about tax dues, such as how to schedule or make a tax payment and/or estimated tax payments. You must include the URL and statement in all your products and show it to users within the software in the most prominent way possible.

URL: www.atap.arkansas.gov

Statement:

Taxpayers can schedule or request an electronic tax payment for balance due returns and/or estimated tax payments by visiting our website.

Agency Questions

1. What refund products or payment vehicles do you offer your customers? If you partner with an entity to provide refunds (e.g. Amazon.com or other pre-paid cards), please provide the names and bank routing numbers (RTNs) of each company. (Attach a separate sheet if necessary)

2. Does this product offer Direct Debit for return payment? Yes No

If **Yes**, select the supported method. Partial payments Full payment Both

If **No**, you must provide a statement in your software indicating that no payment is being submitted at the time the return is filed. A screenshot of this text must be provided during acceptance testing.

3. Does this product allow Direct Debit for estimated payments? Yes No

Agreement

I agree to provide true, accurate, current, and complete information. By signing this agreement, my company agrees to all of the requirements listed in this document. The **Arkansas Department of Finance and Administration, Income Tax Administration** reserves the right to deny, suspend, or terminate my company's ability to submit returns.

SIGNATURE OF AUTHORIZED REPRESENTATIVE

DATE

PRINT NAME OF AUTHORIZED REPRESENTATIVE

TITLE

E-MAIL ADDRESS

PHONE NUMBER

Electronically:

- E-mail the completed and signed Letter of Intent:
ARefile@dfa.arkansas.gov

Authorized access to the State Exchange System

Access to the State Exchange System should be limited to those with a business need.

Please provide information for each employee you are authorizing for access to the State Exchange System for Corporation Income Tax.

Please attach additional sheet with authorized users if necessary. The list you provide must include the information requested below.

Company Name: _____
First and Last Name: _____
Email Address: _____
Phone Number: _____
Authorized Access: Forms E-file

Company Name: _____
First and Last Name: _____
Email Address: _____
Phone Number: _____
Authorized Access: Forms E-file

Company Name: _____
First and Last Name: _____
Email Address: _____
Phone Number: _____
Authorized Access: Forms E-file

Company Name: _____
First and Last Name: _____
Email Address: _____
Phone Number: _____
Authorized Access: Forms E-file

Company Name: _____
First and Last Name: _____
Email Address: _____
Phone Number: _____
Authorized Access: Forms E-file

Company Name: _____
First and Last Name: _____
Email Address: _____
Phone Number: _____
Authorized Access: Forms E-file

Company Name: _____
First and Last Name: _____
Email Address: _____
Phone Number: _____
Authorized Access: Forms E-file