

BUSINESS BASICS

A Guide to Starting Your Business in Garland County



CHAMBER

Greater Hot Springs Chamber of Commerce
Taking Care of Business



Licensing Your Business

Business License

Businesses located in the City of Hot Springs must obtain an occupation tax permit. Fees vary according to business type. An occupation tax permit application can be obtained at:

City Revenue Collector's Office
324 Malvern Avenue, Suite 207
Hot Springs, AR 71901
(501) 321-6826
www.cityhs.net/business-services

If your business is operated out of your home, you are also required to have a home-based occupation permit. You must apply for this permit in person at the Planning and Development Department at City Hall, 133 Convention Boulevard.

Industry Specific City License

Restaurants/Food Handling Businesses

Restaurants and any food handling businesses must be approved by the Arkansas Department of Health. Applications and guidelines for submitting plans may be obtained from:

Garland County Health Unit
1425 Malvern Ave.
Hot Springs, AR 71901
(501) 624-3394

Hot Springs Advertising and
Promotions Commission
134 Convention Boulevard
Hot Springs, AR 71901
(501) 321-2277

Contact the state or county sanitarian, an on-site inspector of restaurants and food preparation facilities. Anyone in food service, such as food processing, restaurants, caterers, mobile food units, convenience stores and bed and breakfast must have their kitchen plans approved before establishing these businesses. These rules apply to home-based business.

If the establishment is new, a plan review by the Division of Environmental Health Protection, Food Protection Services, is required. Information on plan review can be obtained from your local county health unit or contact:

Division of Environmental Health Protection,
Arkansas Department of Health
4815 W Markham
Little Rock, AR 72205
(501) 661-2000
www.healthylarkansas.com

If the facility is an existing facility and you are a new owner, the existing owner's permit for the establishment is voided.

License to Sell Liquor

Application must be made to:

Department of Alcoholic Beverage Control
1515 West 7th St., Suite 503
Little Rock, AR 72201
(501) 682-1105

The Alcoholic Beverage Control Division (ABC) conducts a 4-hour educational seminar twice monthly. Applicants are required to attend before a permit is issued. Plan to attend even if buying a business with an existing permit. Permit fees range from \$0 to \$1000, plus a federal occupational tax of approximately \$250.

The City of Hot Springs requires that businesses selling liquor obtain a city liquor license. Applicants will need to bring a copy of their state permit to:

Revenue Collector's Office
324 Malvern Ave.
Hot Springs, AR 71901
(501) 321-6826

PO Box 6300
Hot Springs, AR 71902

Industry Specific State License

Contractors

Arkansas licenses both commercial and residential contractors. To apply for the license to work on construction projects, contact:

State of Arkansas Contractor's Licensing Board
4100 Richards Road
North Little Rock, AR 72117
(501) 372-4661

Electricians

To apply for an electrician's license contact:

Arkansas Board of Electrical Examiners
10421 W Markham
Little Rock, AR 72201
(501) 682-4549

Plumbing

You must have a license to do plumbing work in Arkansas unless you work on your own residence or agricultural buildings. The agriculture buildings must be outside city limits and they must not be connected to a public water line, sewer or gas line. To apply for a license contact:

Arkansas Department of Health – Plumbing and Natural Gas Section; Division of Protective Health Codes
4815 W Markham, Slot 24
Little Rock, AR 72201
(501) 661-2642

Massage Therapy

Arkansas State Board of Massage Therapy
101 East Capitol Ave., Suite 206
PO Box 2019
Little Rock, AR 72201
(501) 683-1448

Zoning

Whether you are buying an existing building for your business site or building a new one, contact the Hot Springs Planning and Development Department. For new construction or remodeling, plans must be submitted prior to construction and approved by the Building Safety Division. Remodeling plans must also be submitted and approved by the department. Upon approval, a certificate of occupancy will be issued, which serves as proof that the requirements for safety and use have been met. For home businesses, the City must issue a separate Home Occupation Permit:

Planning and Development Department
133 Convention Boulevard
Hot Springs AR, 71901
(501) 321-6650
www.cityhs.net/planning

DBA/Inc./ Trademark

Garland County Trade Name Protection

For local unincorporated businesses wishing to protect their business name, the owner may wish to file a "Doing Business Under an Assumed Name" form. This can be obtained from the County Clerk. There is a

\$26 fee.

County Clerk
Garland County Court House, Room 103
501 Ouachita Ave
Hot Springs, AR 71901
(501) 622-3610
<https://garlandcounty.org/249/County-Clerk>
email: sasmith@garlandcounty.org

Incorporating Your Business

Contact the Arkansas Secretary of State’s Office to incorporate or register a state trademark. There is a one-time \$50 filing fee to incorporate. Thereafter, a corporation will pay an annual franchise fee – a minimum of \$150. Please contact:

Secretary of State’s Office
Business/Commercial Services Division
1401 West Capitol Ave., Suite 250
Little Rock, AR
(501) 682-3409

Name Registration

Application for registration or Trademark or Service Mark may be obtained from the Secretary of State’s office, or online at <https://www.sos.arkansas.gov/business-commercial-services-bcs/trademark-service-mark/>. Two copies of the application, three originals of the proposed trademark (example: business cards, envelopes, letterhead), and a \$50 fee should be sent to:

Arkansas Secretary of State
Business & Commercial Services
Attn: Trademark/Service Marks
1401 W. Capitol Ave., Suite 250
Little Rock, AR 72201
(501) 682-1010

A company’s logo must be registered in every state in which business is conducted. Upon approval, applicants will be issued a certificate of registration for five years. At the end of five years, application for renewal must be made and accompanied by an additional \$50.

Arkansas Taxes

The Arkansas Department of Finance and Administration is responsible for the collection of all sales

and use taxes. If you have vending machines or video game machines, you must also speak with the miscellaneous tax section about tax decals for your machines.

Personal property and business personal property taxes are handled by the Garland County Assessor and/or Collector.

Garland County Tax Assessor and Collector
200 Woodbine St.
Hot Springs, AR 71901
Assessor: (501) 622-3730
Collector: (501) 622-3710

Sales Tax

Applications may be obtained from the Garland County Courthouse, by visiting, <https://atap.arkansas.gov> or by contacting:

State of Arkansas Sales and Use Tax
Ledbetter Building
1816 West 7th St., Suite 1330
Little Rock, AR 72201

Mailing address:
PO Box 1272
Little Rock, AR 72203
(501) 682-7104

A \$50 non-refundable fee is required of all Arkansas vendors on a retail or wholesale basis. An application for an Arkansas Business Permit is available online.

State and Local Sales Taxes

Forms can be obtained to file your lodging, food and beverages taxes from the Hot Springs Advertising and Promotion Commission.

State of Arkansas	6.500%
City of Hot Springs	1.500%
Garland County	1.500%
Sales Tax Total	9.500%

Additional Sales Tax

Hotel/Motel/Restaurant within city	3.000%
Hotel/Motel within state	2.000%
Grand Total For Lodging and prepared foods in the County	11.500%
Grand Total For Lodging and	

Prepared Foods in the City

14.50%

Little Rock, AR 72203

Sales Tax Number

To obtain your Arkansas Sales Tax Number contact the State of Arkansas Sales Tax Office.

Department of Finance & Administration
Sales and Use Tax
Ledbetter Building
1816 W. 7th St., Suite 1330
Little Rock, AR 72201
(501) 682-7904

New businesses must complete an application for Withholding Taxes for employees (form AR4ER). Applicants should include their Federal ID Number with the application. Forms are available online at www.dfa.arkansas.gov or by contacting:

Department of Finance & Administration
Withholding Tax Unit
P. O. Box 9941
Little Rock, AR 72203
(501) 682-7290

Mailing Address for W-2s:
PO Box 8055
Little Rock, AR 72203

Mailing Address for Payments:
PO Box 9941

Completed applications should be mailed to the above address. Business will receive back monthly reporting forms to send with their monthly remittance. Withholding charts and guidelines will also be sent.

Estimated Taxes

Businesses with no employees must estimate taxes on personal income on a quarterly basis if taxes are expected to be \$1000 or more a year. For additional information, contact the Estimated Tax Section at the address below or access its website:

Estimated Tax Unit
PO Box 3628
Little Rock, AR 72203
(501) 682-1100

Internal Revenue Service
700 West Capitol
Little Rock, AR 72201
(501) 369-5711

Corporate Tax

Corporations must register with the Secretary of State and pay a filing fee before doing business in Arkansas. The State uses the Federal I.D. Number for identifica-



tion purposes.

Some corporations may elect to be treated as a “Small Business” or a “Subchapter S Corporation” for tax purposes. For additional information, contact the Subchapter S Corporation Section at the address below or access its website:

Department of Finance & Administration
Subchapter S Corporation Group
P. O. Box 919
Little Rock, AR 72203
(501) 682-4775

Federal Income Tax

Contact the Internal Revenue Service:

Internal Revenue Service
700 West Capitol
Little Rock, AR 72201
(501) 369-5711

Any business hiring employees on a full or part-time basis must notify:

Withholding Tax Branch
Ledbetter Building
1816 W 7th Street, Room 1380
Little Rock, AR 72201

Mailing Address for W-2s:
P.O. Box 8055
Little Rock, AR 72203

Reporting Requirements

Federal Employer ID Number (EIN)

Once issued an EIN, the IRS will forward a booklet and materials for remitting federal withholding taxes on a monthly or semi-weekly basis and submitting tax reporting on a quarterly basis.

Any business hiring employees on a full or part-time basis must notify:

Department of Finance & Administration
Withholding Tax Unit
P. O. Box 9941
Little Rock, AR 72203

(501) 682-7290

Mailing Address for Payments:
PO Box 9941
Little Rock, AR 72203
(501) 682-7290

Income Tax Withholding

Employers are required to withhold tax from wages of employees who work within the State of Arkansas. Employers are not required to withhold Arkansas tax from the wages of any employee who does not work within the State of Arkansas, unless the employee is a resident of Arkansas and the state where they are employed does not have a state income tax.

An employer or withholding agent is required to register by completing a registration packet from the Arkansas Withholding Tax Section upon hiring the first employee.

The packet contains:

- Withholding Registration (form AR4ER)
- Withholding Chart and Instructions
- Arkansas Employee’s Withholding
- Exemption Certificate (Form AR4EC)

Employers are required to remit monthly the full amount withheld from the wages of all employees. Payments are due on the 15th of the following month. Payments can be made by mail using the 941M form or by telephone, after an application for filing by phone is approved. The Federal Employer Identification Number (EIN) is used to report and remit withholding taxes.

The Annual Reconciliation (Form AR3MAR) and W-2 forms are due by the 28th of February of the following year, along with the 1099’s

For additional information contact the Income Tax Withholding Section or access its website for forms and instructions: www.irs.gov.

Employer’s Quarterly Federal Tax Return (Form 941)

Form and instructions can be downloaded at www.irs.gov.

irs.gov.

Information about wages in Arkansas, rates and other information can be obtained from the Department of Labor.

For Businesses with Employees

Any business hiring one or more employees on a full or part-time basis must notify:

Employment Security Department
2254 Albert Pike Road
Hot Springs, AR 71913
(501) 525-3450

Arkansas Department of Labor
10421 W Markham
Little Rock, AR 72201
(501) 682-4500

- W-4 forms to be completed by each employee before any wages are paid
- W-5 Earned Income Credit Advance Payment Certificate
- Form 940 – Employers Annual Federal Unemployment Tax Return, short form 940EZ
- Forms and instructions can be downloaded at www.irs.gov.

Business Tax Education Workshop

The IRS offers small business workshops in coordination with its partnering organizations. For dates, times, locations, and topics, visit www.asbtdec.org/training/

Reference Materials

Phone Numbers

Department of Finance & Administration	501.682.2242
Federal I.D. Numbers (IRS)	800.829.4933
Attorney General's Office	501.682.2007
Contractor's Licensing Board	501.372.4661
U.S. Patent & Trade Office	501.682.2053
Arkansas General Information	501.682.3000
Income Tax 501c3	501.682.4775
Better Business Bureau	800.482.8448

Document References

Employer's Tax Guide Publication 15 (Circular E)
Tax Guide for Small Businesses, IRS Pub. 334
Travel, Entertainment, Gift and Car Expenses, IRS Pub. 463
Starting a Business and Keeping Records IRS Pub. 583
How to Begin Depreciating Your Property, IRS Pub. 946
Depreciating Property Placed in Service before 1987, IRS Pub. 534
Business Use of Your Home, IRS Pub. 587

Hot Springs Chamber of Commerce
659 Ouachita Avenue
Hot Springs, AR 71901
(501) 321-1700
www.hotspringschamber.com



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