

Welcome to Little Rock!

STARTING A BUSINESS IN LITTLE ROCK OBTAINING PERMITS & LICENSES

STEP 1: Register the name of your business.

- If you wish to incorporate your business, call the Secretary of State Incorporations office at 501-682-3409. They are located at 1400 West Capitol Avenue (in the Victory/KARK-TV Building), Suite 250, in Little Rock (one block east of the State Capitol building).
- If you do not incorporate your business, you will have to register the name of your business by obtaining a DBA (Doing Business As) certificate from your county clerk's office. The telephone number for the Pulaski County Clerk's DBA office is (501) 340-8330. Their office is in the Pulaski County Courthouse at 401 Broadway Street in Little Rock (on the southeast corner of West Markham and Broadway streets). This is required (if you do not incorporate) and legally permits you to conduct business under that name. This also provides some protection for your business name in the county that you file in, and prevents any other businesses from using the same name in that county.

STEP 2: Apply for zoning approval for your business and obtain a business license.

- For questions regarding zoning or sign permits, call 501-371-4844. For questions regarding business licenses, call 501-371-4566.
- If you are running your business from your home, please read this:
Before you begin running a business from inside your home, you must fill out an application for a business license and a home occupation accessory use permit. You can apply online by going to www.littlerock.org/treasury or you can apply in person. Their office is in the Little Rock Planning and Development Building at 723 West Markham Street (at the corner of West Markham and South State streets), on the second floor. Applications for home-based business licenses are generally approved or denied within five to ten business days.
- If you are running your business from a commercial location, please read this:
Before you purchase a building, or sign a lease or rental agreement, you should contact the Little Rock Zoning Department at 501-371-4844 to determine if the location where you plan on opening your business is zoned for your type of business. If the zoning is OK, then you can begin the application process for your business license. You may apply for your business license one of several ways:
 - Go to the Little Rock Zoning office at 723 West Markham Street and apply for your business license in person — usually this can be done while you wait.

- Call 501-371-4566 and ask for an application to be sent to you. Once you fill out the application, you can either mail or fax it to us.
- Log on to the Little Rock Treasury Management website at www.littlerock.org/treasury and download the Business License Application. Print and fill it out, then mail or fax it back to the City.
- Log on to the Little Rock Treasury Management website at www.littlerock.org/treasury and fill out the online application which will be submitted to us electronically when you complete the application.
- Some businesses are charged based on the number of employees and others are charged based on the amount of inventory. Once the business owner or their agent has completed a business license application and Planning and Development has approved it, the application comes to the Treasury Management Division. Once we have received the application, we will set up an account for the business and any fees are based on the information that the owner has provided.
- A statement will be mailed to the address designated as the mailing address on the application. The business owner has twenty (20) days to make payment. Upon payment of the amount due, a business license will be printed and mailed to the business owner.
- Business licenses are renewable each year on January 1st. If a license is not paid by February 1st, the account will be charged a 10% penalty. Any account that is not paid by March 1st will be charged an additional 10% penalty. Accounts not paid by April 1st are subject to a 30% penalty. If your original amount due was \$200.00, and you failed to pay by April 1st, then the total due would be \$300.00. ($\$200.00 + 20.00 + 20.00 + 60.00 = \300.00).
- If your business closes prior to July 1 of the current year, you may be eligible for a refund of ½ of the fee paid. If you feel that you should get a refund, please request it in writing. Mail all correspondence to the following address: City of Little Rock, Treasury Management Division, 500 W Markham St, Ste 100, Little Rock, AR 72201. You may also fax your correspondence to (501) 371-4569. Refunds will be issued for businesses that close prior to July 1st of each year. They will be eligible for a refund of ½ year. Each business owner/manager is responsible for ensuring that their business license is correct; they are also responsible for submitting a statement if the business has closed.

STEP 3: Assess your business.

- All businesses located in Pulaski County must pay Business Personal Property taxes for any personal property used in the course of that business. For more information, contact the Pulaski County Assessor's Business Personal Property Office at 501-340-3366. Their main office is located at 201 Broadway Street in Little Rock (at the corner of 2nd and Broadway Streets in the Pulaski County Administration Building, one block south of the Courthouse). More information is available online at www.pulaskicountyassessor.net.

STEP 4: Apply for sales tax permit.

- Most, but not all business must obtain a sales tax permit. All retail-based and some service-based businesses must charge sales tax. For more information about sales tax, and to apply for a permit, contact the State of Arkansas Department of Finance and Administration Sales Tax Section at 501-682-7104. Their office is located at 1816 West 7th Street, Room 2420 in Little Rock (in the Ledbetter Building at West 7th and South Battery streets, across Interstate 630 from Arkansas Children's Hospital). All sales tax collections are remitted directly to the State on a monthly basis. Sales tax in Little Rock city limits is currently 9.0% (6.5% Arkansas + 1% Pulaski + 1.5% Little Rock) = 9.0%; as of July 1, 2013). More information is available from the Department of Finance and Administration's website at: www.arkansas.gov/dfa/excise_tax_v2/st_index.html.
- The Department of Finance and Administration also reports General Revenue for each month, Gross tax collections, Fiscal notes, sales tax holiday dates, and numerous other board meetings for Alcoholic Beverage Control, Administrative/Violation Hearing, Jail inspections, etc.

STEP 5: Obtain a Federal Employer ID number.

- The Federal Employer Identification Number (EIN) is used to report withholding taxes, and almost all businesses are required to obtain one. EINs can be obtained free of charge. You can obtain a number by calling 1-800-829-4933 (Monday through Friday, 7 A.M. to 10 P.M.), or filling out IRS Form SS-4, or by applying online. More information is available by visiting the IRS Small Business Resource website at <http://www.irs.gov/businesses/small/>.

STEP 6: Register for state withholding.

- After obtaining a Federal EIN, you should register with the state for a state withholding report. For more information, contact the Department of Finance and Administration Office of Income Tax Administration at 501-682-7290. More information and various forms are available online at http://www.arkansas.gov/dfa/income_tax/tax_index.html.

STEP 7: Register for unemployment insurance.

- You must register your business with the State of Arkansas Employment Security Department if your business has (or has had) at least one employee. For more information, insurance rates, and to register your business for state unemployment insurance, contact the Employment Security Department at 501-682-8030 or 501-682-3268. Their main office is located at 1 Pershing Circle in North Little Rock, and their Little Rock office is at 125 West 4th Street.

STEP 8: Obtain Worker's Compensation insurance.

- Most businesses, as required by law, must obtain Worker's Compensation insurance. You may obtain this insurance through your insurance agent. For more information about Worker's Compensation, as well as special requirements for applicable businesses, contact the Worker's Compensation Commission at 501-682-3930. Their office is located at 324 South Spring Street in Little Rock (at the corner of West 3rd and South Spring streets).

STEP 9: Contact INS (Immigration and Naturalization Service).

- For each employee, an Employment Eligibility Verification Form (INS Form I-9) must be completed. The forms must be filed within three working days after employment begins. Any required documentation which is unavailable on the hire date must be submitted within twenty-one (21) working days. For more information about employment eligibility, contact U.S. Citizenship and Immigration Services (formerly Immigration and Naturalization Service) at 1-901-544-3301 (Memphis, TN office telephone number) or 1-800-375-5283.

STEP 10: Obtain other permits.

- The following is NOT a comprehensive list of special licenses required. Contact the Research and Analysis Section of the Arkansas Employment Security Division at 501-682-1543 to find out if your particular occupation requires an occupational license or permit.
- Any businesses serving alcohol must obtain both State and City permits.
- State permits are obtained through ABC (Alcoholic Beverage Control). Their phone number is 501-682-1105 and they are located at 1515 West 7th Street (the “1515 Building”), Suite 503 in Little Rock.
- The State of Arkansas has a supplemental tax of ten percent (10%) plus an additional supplemental tax of four percent (4%) that is charged on the sale of mixed drinks. Both of these supplemental taxes are due by the 20th of the next month (i.e. Supplemental taxes for the month of April are required to be postmarked no later than May 20th).
- City permits are issued by the Treasury Management Division. To obtain your alcohol permits, call 501-371-4566. You will need copies of your state permit(s) before you can obtain your city permit(s).
- The City of Little Rock also has a ten percent (10%) supplemental mixed drink tax. It is due by the 20th of the next month (i.e. Supplemental taxes for the month of April are required to be postmarked no later than May 20th). If the 20th of the month falls on a Sunday or Holiday, returns should be postmarked no later than the next business day. Businesses that pay their supplemental taxes after the 20th are subject to a twenty-five (25%) late payment penalty. A return is not considered timely filed if the check is returned for non-sufficient funds, account closed, etc. Failure to pay your supplemental taxes may result in the State of Arkansas Alcoholic Beverage Control Enforcement officers removing the state permit(s) from your location.
- Any businesses selling tobacco must obtain both State and City permits.

State permits are obtained through the Arkansas Tobacco Control Board, located at 101 East Capitol Avenue (the Main Street Mall building), suite 204 in Little Rock. Their phone number is 501-682-9756.

Tobacco Permits for the City of Little Rock are issued by the Treasury Management Division. For questions regarding tobacco permits, call 501-371-4568.

- **Contractors:**
For information regarding state licensing, contact the Contractors Licensing Board at 501-372-4661. Their office is located at 4100 Richards Road in North Little Rock (two blocks north of East McCain Boulevard, near the Wal-Mart Supercenter).
- For information regarding city permits, call the Permits office at 501-371-4832. They are located at 723 West Markham Street (Planning and Development Building), 2nd Floor. Contractors are required to post a \$10,000 performance bond with the permits office.
- **Restaurants and Lodging:**
Most restaurants are required to charge the Advertising and Promotion 2% Supplemental Tax (also known as the “hamburger tax”). Lodging is also subject to the 2% tax collected by the Little Rock Advertising and Promotion Commission. Call 501-370-3205 or visit the Little Rock Advertising and Promotion Commission at 400 West Markham Street (Robinson Center, northeast corner of West Markham and Broadway in Little Rock). Their offices are located on the first floor of the Robinson Center.
- Any restaurants or other business preparing and/or cooking food (i.e. not selling pre-packaged food) must have their business inspected by the State Department of Health. For more information, and to schedule an appointment, call 501-661-2171. Their offices are located at 4815 West Markham Street in Little Rock (two blocks East of Fair Park Boulevard, near War Memorial Park).