

City of Jonesboro
Advertising & Promotion Commission
Prepared Foods Tax Guidelines

Section 1. Definitions

- **Prepared Foods**- Arkansas Code Title 26. Taxation § 26-52-103. Defines “Prepared Foods” as:
 - a) Food sold in a heated state or heated by the seller;
 - b) Two (2) or more food ingredients mixed or combined by the seller for sale as a single item; or
 - c) (i) Food sold with an eating utensil provided by the seller, including a plate, knife, fork, glass, cup, napkin or straw.
(ii) As used in subdivision c(i) of this section “plate” does not include a container or packaging used to transport the food;

Section 2. Administration

The City issues “Privilege Licenses” for all businesses located within the city limits and has access to contact information for all businesses that may be required to remit any tax levied by the Advertising and Promotion commission. Acting as an “Agency”, under the direction of the Advertising and Promotion Commission, the City will notify all current Privilege License holders of the newly passed “Prepared Foods Tax” and provide instructions on remitting.

I. Collections

- a) Advertising and Promotion Taxes are due on the 20th of each month. A 10% late fee will be added when filing late. FAILURE to remit the correct amounts will lead to an additional 1% late fee per month on the difference in the amount remitted and the amount owed.
- b) All payments and documentation can be submitted in person at 300 South Church Street, Jonesboro, AR 72401. The City will also accept payments by mail with proper documentation included. An online payment portal will be available on the city’s website soon. Please make checks payable to the “City of Jonesboro” and addressed to PO Box 1845, Jonesboro, AR 72403. **No Payments will be accepted without proper documentation.**
- c) As per ORD-21:046, collection of this tax shall begin on January 1st, 2022. This means restaurant owners and other businesses responsible for the collection of this tax shall place a 2% tax on all eligible “Prepared Foods” items effective this date. The first tax remittance shall be remitted by the 20th of February. This will include tax collections for the month of January.

II. Documentation

- a) All remitters shall submit a completed **Local Supplemental Tax Remittance Form**, found on the City of Jonesboro Website, and a copy of their **Arkansas Excise Tax Return Form (ET-1)** each month along with their remittance.

III. Audit

- a) Tax remittances will be “Internally Audited” on a regular basis. Failure to provide all required documentation with monthly remittances may lead to a rejection of future payments and the accrual of “Late Fees” until proper documentation is received.
- b) The City of Jonesboro, acting as an “Agency” of the A&P commission, reserves the right to inspect any records.