



Operating a Business in North Little Rock

The City of North Little Rock is glad you decided to be a partner in the development of this wonderful community. This summary should answer a majority of the questions you may have about processes, taxes, and regulations. Many of the forms and permits are available online at www.nlr.ar.gov If you have any other questions, please call (501) 975-8617 or (501) 975-8888.

Zoning Certificate:

Contact the North Little Rock Planning Department for zoning regulations that apply to the location for your proposed business. Businesses are required to get a zoning certificate before applying for a business/privilege license in our office. **The zoning certificate is only valid for thirty (30) days after the issue date.** After the thirty (30) days have expired, a new zoning certificate will be required to issue a business/privilege license. A zoning certificate is required for all business license applications (including home-based and out of city) and change of address (physical location within the city).

North Little Rock Community Planning Department
120 Main Street
North Little Rock, AR 72114
(501) 975-8835

General Business Privilege License (General Business, Beer & Liquor):

The City of North Little Rock requires **all businesses** to obtain a privilege/business license to conduct business within the city limits. If your business is operated out of your home, you are also required to have a home occupation permit. You must apply for this privilege/business license at the City Clerk's Office at 300 Main Street (City Hall). Please contact our office for a final quote on the total fees due as variables may apply.

Privilege licenses must be renewed annually. If a business changes location within the city limits, a new zoning certificate and application are required. There are no additional fees for change of address.

The business/privilege license applications will be held in the City Clerk's office for no more than thirty (30) days after the date it is received in the office. If the business fails to submit the necessary documents to issue a license within that time frame, then the business will be required to resubmit the information. If a business expands services provided, please contact our office for a final quote on the fee for the new and/or additional services.

All businesses (hotels, restaurants, liquor stores, Breweries, bars, private clubs, etc.) must obtain a City Beer/Liquor/Mixed Drink license from the City Clerk's Office to be able to sell alcohol in the City. You are first required to get an Alcoholic Beverage Control (ABC) license from the State before you may apply for your City license. A copy of the ABC license must be filed with us before you are issued a City license. Statements are mailed at the end of each June and will be due by July 31 of that year.

City Clerk and Treasurer's Office
City Hall
300 Main Street
North Little Rock, AR 72114
(501) 975-8617

Restaurant and Hotel Privilege Licenses: The City of North Little Rock requires a privilege/business license to conduct business within the city limits. Restaurants cannot be operated out of your home. Mobile food vendors are required to receive a North Little Rock privilege/business license. Privilege/business License renewals are also made at the City Clerk's Office. You must apply for this permit in person at the:

City Clerk and Treasurer's Office
City Hall
300 Main Street
North Little Rock, AR 72114
(501) 975-8617

Cottage Food Act: Individuals or businesses operating under the Cottage Food Act are required to obtain a North Little Rock City Business License. Act 72 of 2010 defines a "Cottage food production operation" as food items produced in a person's home that are non-potentially hazardous foods such as bakery products, candy, fruit butter, jams, and jellies. Only these 5 products are covered in ACT 72 and are the only products allowed to be sold under ACT 72 of 2010. Cottage food items can only be sold direct from the manufacturer to the consumer either from the site where the food is made, a farmer's market, a county fair, or a special event. Before operating or handling these items, you must first check with the Arkansas Department of Health to verify you are legally operating within their guidelines.

Pulaski County Health Unit - North Little Rock
2800 N. Willow Street
North Little Rock, AR 72114
501-791-8551

Mobile Food Vendors: The City of North Little Rock allows mobile food vendors, such as food trucks, to conduct business within the City limits at an approved location. In order to allow mobile food vendors, the business must be fully licensed with a North Little Rock Advertising & Promotion (A&P) Permit and display the proper documents during operation. Please contact the City Clerk's Office at 501-975-8617 for these requirements. If the location is City owned property or in public right of way, then the business must submit an application to the Neighborhood Services Office for approval.

To obtain a North Little Rock Mobile A&P Permit, you must have the following:

- 1) A current fire inspection – call the NLR Fire Department at 340-5377 to schedule an inspection time. This is the first step in the permitting process;
- 2) A current health inspection;
- 3) A valid driver's license;
- 4) A current business license – available at the NLR City Clerk's Office at 300 Main Street in North Little Rock (975-8617). We recognize current business licenses from surrounding cities

To open a food service establishment in Arkansas, the owner has to go through a Plan Review (501) 661-2623) with the Arkansas Department of Health most of the time. The only exception is when an establishment hasn't been closed before another establishment is opened at same location. (When this happens, the owner will have to call the Environmental Health Specialist to change ownership, name, etc.) The Plan Review guidelines and the Rules & Regulations Pertaining to Retail Food Establishments book are available at any local health unit.

After the Plan Review dept. approves your plans, they send a letter to the local health unit. The food service establishment owner calls the local health department (501) 791-8551 to make an appointment to open the establishment. The Environmental Health Specialist conducts a walk-through inspection to confirm design specifications and compliance with the regulations. You will receive your bill for your permit in the mail within a few months. Presently, the cost is \$35.00. This fee does not include business licenses, which can be obtained from the North Little Rock City Clerk's office. A copy of the approved to open Health inspection papers are required to be submitted in person to the City Clerk's office before applying for your Privilege license.

General Sales & Use Tax Collection: The Arkansas Department of Finance and Administration is responsible for the collection of all sales and use taxes. Sales and Use Tax phone number is (501) 682-7104. If you have vending machines or video game machines, you must also speak with the miscellaneous tax section about tax decals for your machines.

State Sales Tax Number: To obtain your Arkansas Sales Tax Number, contact the State of Arkansas at (501) 682-7104 or visit their office at 7th and Wolfe streets, Room 211.

Department of Finance and Administration
1509 West 7th Street
Little Rock, AR 72201
(501) 682-7104

Property Taxes: Personal property and businessperson's property taxes are handled by the Pulaski County Assessor and/or Collector. They are located at 201 S. Broadway, Suite 310 and can be reached by phone at (501) 340-6170 and (501) 340-8040.

Remodeling Permit: Before a business opens, a remodeling permit is usually required. Contact the North Little Rock Community Planning Department for regulations that apply to the location for your proposed business. All changes to the exterior buildings in the downtown area between Poplar, 9th Street, South Broadway and North Broadway must be approved by the North Little Rock Historic District Commission. This includes signage, awnings, and any kind of construction.

North Little Rock Community Planning Department
120 Main Street
North Little Rock, AR 72114
(501) 975-8835

North Little Rock Historic District Commission
506 Main Street
North Little Rock, AR 72114
(501) 371-0755

Fire Code: The Fire Department must inspect all new businesses for compliance to Fire Code. Contact the North Little Rock Fire Department for specific information. The city has a class 2 fire insurance rating. This is the lowest rating in the state and assists the business owner with lower insurance premiums. The North Little Rock Fire Department does have to do an inspection of the fire suppression system for restaurants and fire extinguishers/systems for daycares, convenience stores, etc.

North Little Rock Fire Department
8th & Maple
North Little Rock, AR 72114
(501) 340-5377

Signage: Businesses must have prior approval for signage and receive a sign permit from the North Little Rock Community Planning Department.

North Little Rock Community Planning Department
120 Main Street
North Little Rock, AR 72114
(501) 975-8835

Federal Tax Identification Number: To obtain your Federal Tax ID Number, contact the Internal Revenue Service's local office at 700 W. Capitol Avenue in the Federal Building or call 1-800-829-1040.

Internal Revenue Service
700 West Capitol Avenue
Suite 1040
Little Rock, AR 72201
800-829-1040

Corporations and Limited Partnerships: Corporations and Limited partnerships must be registered with the Arkansas Secretary of State. Secretary of State's staff will assist you in registering if you visit them at State Capitol, room 256 or call (501) 682-1010 for more information.

Secretary of State's Office
State Capitol, room 256
Little Rock, AR 72201
(501) 682-1010

Individuals Operating Under Trade Name or Registering DBAs (Doing Business As): If you operate your business under a name other than the owner's name it must be registered with the Pulaski County Clerk's Office (401 W. Markham Street).

Pulaski County Clerk
401 W. Markham Street
Little Rock, AR 72201
(501) 340-8500

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

Employment Security Department
125 West 4th Street
Little Rock, AR 72201
(501) 682-3200

State Quarterly Withholding Report: Any business hiring employees on a full or part-time basis must notify:

State of Arkansas Withholding Office
P.O. Box 9941
Little Rock, AR 72203
(501) 682-7290

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

Department of Labor
10421 West Markham Street
Little Rock, AR 72205
(501) 682-4500

SCORE: The Service Corporation of Retired Executives under the auspices of the U.S. Small Business Administration.

Service Corporation of Retired Executives
2120 Riverfront Drive, Suite 250
Little Rock, AR 72202
(501) 324-7379, Ext.: 302

Businesses Operating in Certain Fields: Businesses operating in certain fields that require licensing must register with the appropriate agency and provide a copy of license with business license application. Examples of agencies that license specialized business are:

Health Department
2800 Willow Street
North Little Rock, AR 72115
(501) 791-8551

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

North Little Rock Fire Department
Fire Marshall
8th & Maple
North Little Rock, AR 72114
(501) 340-5377

Utilities: Questions about utilities should be directed to one of the following departments:

Electricity
Utilities Accounting
120 Main Street
North Little Rock, 72114
(501) 975-8888

Water
Central Arkansas Water
221 East Capitol
Little Rock, 72202
(501) 372-5161
Waste Water

North Little Rock Waste Water
7400 Baucum Pike
North Little Rock, 72117
(501) 945-7186

Sanitation Services: If you have questions regarding guidelines for City Sanitation Collection services or availability of privately owned collection services, contact:

North Little Rock Sanitation
500 W. 13th
North Little Rock, AR 72114
(501) 371-8345

City Taxes

A & P Foodservice and Lodging Tax Permits:

All foodservice and lodging businesses are required to have an Advertising & Promotion (A & P) Tax Permit to operate in North Little Rock, as well as the privilege/business license required by the City of North Little Rock. There is no charge for this permit. The City Clerk's office will copy the applicant's driver's license to attach to the completed A & P Tax Permit application. The A & P Tax Permit is not renewed each year – it expires only when the business closes. Permits and privilege/business licenses are issued through the North Little Rock City Clerk's Office, City Hall, 300 Main Street, North Little Rock, AR 72114. The City Clerk's office may be reached at (501) 975-8617.

Businesses are offered a two percent (2%) discount on the early remittance of the A & P tax if it is postmarked or received by the North Little Rock A & P Commission on or before the 20th of the month due. Full remittance of collected taxes is due by the last day the month. (Example: Taxes are collected in January; if the taxes are remitted by February 20, businesses can deduct the two percent (2%) discount. If taxes are remitted on February 28, no discount is allowed.) Taxes remitted later than the end of the month's due date are charged a late penalty of five percent (5%) per every month late. Taxes may be remitted online at: www.northlittlerockap.org. Remittance forms can be downloaded from this website as well for those businesses paying in person or by mail. Tax remittance instructions are also posted on this website.

A & P Foodservice Tax: All foodservice businesses (restaurants, convenience stores, movie theaters, mobile food vendors, food delivery operators, etc.) are required to collect and remit a three percent (3%) A & P tax on prepared food and beverages for on or off-premises consumption. The City of North Little Rock's Ordinance 7992 details the specific definition of "prepared food" as directed by the State of Arkansas (Emergency Rule 2007-3). A copy of the definition is available from the City Clerk's office or on the www.northlittlerockap.org website.

Food and beverage vendors setting up for special events such as concerts, festivals, and sports tournaments are required to have an A & P Tax Permit along with their privilege/business license. The A & P Tax Permit must be posted on site in the vending trailer. Food and beverage vendors are required to collect and remit the three percent (3%) A & P Foodservice tax on gross receipts of prepared food following the event. Nonprofit vendors must also receive a privilege license and A & P Tax permit.

A & P Lodging Tax: All lodging businesses (hotels, motels, bed and breakfasts, campgrounds, RV Parks, vacation rental houses/condominium rooms, Air B&B, cabins, and similar sleeping accommodations) are required to have a North Little Rock Advertising & Promotion (A & P) Tax Permit to operate in North Little Rock. Lodging businesses are required to collect and remit the 3.5% A & P Lodging Tax to the North Little Rock A&P Commission.

Please contact Robin Powell, Tax Revenue Manager, at (501) 758-1424 or by email at rpowell@northlittlerock.org if you have any questions about the process for permitting or the A & P tax remittances.

North Little Rock A&P Commission
P.O. Box 5511
North Little Rock, AR 72119
(501) 758-1424
www.northlittlerockAP.org

Mixed Drink Tax: All businesses selling mixed alcohol beverages are required to collect Mixed drink tax. Section 3. Ordinance No. 3743: A supplemental tax upon the gross receipts of the sale of alcoholic beverages pursuant to Act 132 of 1969 is hereby levied. Full remittance of collected taxes is due in the City Clerk's office by the first of the month, reported on a Mixed Drink and/or Private Club Monthly Declaration of Sales Report Form.

Hotels and Restaurants - 10%,
Private Clubs - 5%

Liquor Sales Permits: All businesses (hotels, restaurants, liquor stores, bars, and private clubs must obtain a City Beer/Liquor/Mixed Drink license from the City Clerk's Office to be able to sell alcohol in the City. You are first required to get an Alcoholic Beverage Control (ABC) license from the State before you may apply for your City license. A copy of the ABC license must be filed with us before you are issued a City license. Statements are mailed out the end of each June and will be due by July 31 of that year. Following is a fee schedule:

Beer and/or Wine Permits: Restaurants, Liquor Store and Private Clubs are based on sales from the previous year July 1 through June 30.

\$15.00 for the first \$1,000.00 of sales.
\$5.00 for each additional \$1,000.00 of sales

Restaurant (Mixed Drink) Permit:

99 seats or less (Minimum) \$500.00
 100 seats or more (Maximum) \$1000.00

Private Clubs (Mixed Drink) and/or Distributing Company Permit: \$250.00

Liquor Stores (Liquor Sales) Permit: \$200.00

NOTE: Beer and Liquor business licenses (and renewals) are required in order to sell alcohol in North Little Rock. (See General Business Privilege License section on page 1.)

The Annual renewals or New application forms for all Beer and Liquor permits must to be notarized and you must provide a copy of your current State License issued by the Alcohol Beverage Control (ABC). New businesses will be assessed a fee based on previous sales at the location. New construction businesses will be charged \$15.00.

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

Current Tax Rates for North Little Rock updated January 2018

NORTH LITTLE ROCK TAXES FOR BUSINESS				
	<u>SALES TAX</u>	<u>HOTEL</u>	<u>RESTAURANT</u>	<u>MIXED DRINKS</u>
STATE	6.5	6.5	6.5	6.5
COUNTY	1	1	1	1
CITY	2	2	2	2
STATE TOURISM		2		
CITY HOTEL		3.50		
CITY RESTAURANT			3	
STATE SUPPLEMENTAL				10
STATE ADDL SUPP				4
CITY SUPPLEMENTAL				10
<u>TOTAL</u>	<u>9.50%</u>	<u>15.0%</u>	<u>12.50%</u>	<u>33.50%</u>
AS OF 1-2018				

For more information not covered in this summary visit our website: www.nlr.ar.gov, or contact:

City Clerk's Office
 City Hall
 300 Main Street
 North Little Rock, AR 72114
 (501) 975-8617

General Information
 City Services
 120 Main Street
 North Little Rock, AR 72114
 (501) 975-8888