



ARKANSAS
BUSINESS
NAVIGATOR



STARTING A FOOD TRUCK IN ARKANSAS

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GETTING STARTED WITH YOUR FOOD TRUCK

Operating a food service business requires an understanding of multiple regulations beyond the average scope of managing a business. This booklet provides guidance on starting a mobile food service business in Arkansas, specifically focused on considerations for handling food, operating a mobile business, and ensuring a safe environment for you, employees, and customers.

If this is your first business, we recommend reviewing our start up guide, [*License, Permit and Tax Requirements for AR Small Businesses*](#), for foundational small business information as this supplemental guide only details the additional requirements for Food Truck businesses.

Let's get rolling.

STARTUP ROADMAP

WHERE DO I START?

Identify a compelling offering & Value Proposition.

To be successful and attract customers, you want to develop a different offering than what is currently out there. Research other food trucks to discover if you can build a competitive advantage with one or more of these factors:



THE TRUCK

After purchasing a food truck, you will need a commercial car insurance policy and a business owner's policy for general liability protection. This policy will cover the vehicle and any permanently attached appliances for physical damage from a traffic accident and comprehensive damages like those caused by theft, vandalism, or weather.

Registration

You will need to register the vehicle with the Arkansas Department of Motor Vehicles and pay sales tax on the vehicle. You will need to bring the title, proof of ownership, and a copy of the automobile insurance policy for the truck.



CONSIDERATIONS:

Insurance

If you're looking to purchase general liability and commercial auto coverage for your food truck business, you should anticipate an annual cost of \$2,500 to \$4,500.

Additional Licensing

In most situations, a standard driver's license is sufficient to legally drive and operate a food truck. If the food truck weighs over 26,000 lbs., you will need to obtain a Commercial Driver's License to operate the vehicle. Your local municipality may also require a parking permit or a fire safety review before your food truck can be open for service.

Asset Protection

To protect this asset from a fire event, consider the following:

- Maintain 10 feet of clearance away from buildings, vehicles, structures, and combustible materials
- Ensure clearance is provided for the fire department to access fire hydrants and connections
- Make sure your fire extinguisher and fire suppression systems are installed correctly and routinely inspected.
- Ensure that workers are routinely trained on how to respond to a fire event

Aesthetics

Since your business is on wheels, make it a mobile advertisement. Invest in a graphic artist to design an eye-catching logo for your business.



Check out [this factsheet](#) from the National Fire Protection Association to learn best practices for reducing the risk of fire to your food truck.



THE FOOD

Food Safety

Knowledge of food safety and proper food handling is critical for successful food truck operations and reduces the risk of illness among staff and customers. The Arkansas Department of Health (ADH) requires owners and managers to be educated on food safety and obtain certification as a "Food Manager". Staff involved in food handling activities also need to be trained on food safety, either through an in-house training and reporting system or by passing a certified Food Handler course. Check out this [list of accredited programs](#) to determine the best choice for your operation.

Obtaining food liability insurance is another risk reduction strategy that you will need for this business. A food liability insurance policy provides protection against customer illness, employee injuries, property damage, along with advertising injuries. Factors such as the food you sell and the value of the truck & equipment will affect the policy rate. Contact your insurance agent for a quote but research other companies to find the best rate and coverage for your food truck. Also, research quotes from boutique insurance companies that specialize in the food industry, such as [FLIP](#).





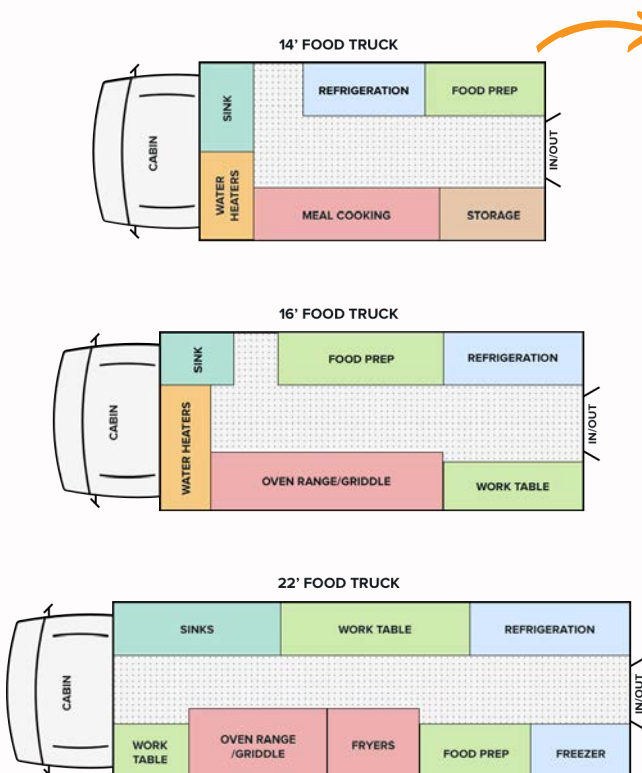
To help manage staff and expectations, create an *Employee Handbook*. Visit the [ABN website](#) to access our *HR Guide*.

Kitchen Plan

Write out how you plan to operate the kitchen by developing Standard Operating Procedures. These will include information on health and hygiene policies for staff, how to operate equipment, and how to properly clean after a shift. Also, review the [ADH rules and regulations for food trucks](#) to make sure you have included all of the necessary food safety measures for the truck, such as fresh and gray water tanks, plumbing, and handwashing sinks.

To operate a food truck, you will need to submit a Retail Food Plan Review and apply for a [Retail Food Establishment Permit](#) with the ADH. This application includes a checklist for the establishment plan, an example of how to draw a plan, a permit application, and a Service Area Letter. The Service Area Letter is used to demonstrate where mobile facilities will dump their wastewater, where they will store dry goods and extra food, and where they will do some of their prep work. All of these areas have to be approved by ADH for food safety.

You will need to identify a wastewater disposal site. Operating a mobile unit requires collecting the wastewater (also called greywater) that is generated from the kitchen. This water contains grease, soap, bacteria, and food particles and will need proper disposal. There is also a requirement for freshwater tanks to be drained, sanitized, and filled with water from an approved source every 14 days and documentation to track this activity. Reach out to local restaurants and commissary kitchens to ask if you can use their approved fresh and gray water system. Also, ask the [local Environmental Health Inspector](#) for help designing your water system and identifying an approved gray water facility.



The size of your truck and wastewater system may limit the size of your menu.

- Start with just a few main dishes to streamline production and efficiency.
- This will help to lower your ingredient costs, inventory management, storage space, and waste output.

Develop systems to manage purchasing, receiving, storage, and record keeping of ingredients and supplies.

- These can be tracked using spreadsheets or investing in recordkeeping software designed for food truck operations.
- During this process, decide whether you will prep and cook in the truck or rent time at a commissary kitchen (check out our list at the end for commissary kitchens in Arkansas).

THE MOBILE BUSINESS

Accepting Payments

Most consumers pay using a credit or debit card. Others enjoy the flexibility of using mobile wallets such as Apple Pay. To set up systems for accepting these types of payments, first consider whether you accept payments on the spot, online, or both. Compare different point-of-sale (POS) systems and review the security features, the hardware required, contract terms, customer service features, and the cost of pricing plans and fee structures. There are also systems made solely for food truck operations.

Paying Others

When starting a business, you will also need to open a business bank account. Research bank branches in your area and ask other food truck operators about their banking experiences. Being an on-the-go business, ask about online money management systems. Consider applying for a business credit card and using this account to pay vendors and purchase supplies. There are several rewards and perks associated with using a credit card. Talk with your bank associate to see which card works best for your business purchasing needs.

If you are negotiating contracts with suppliers and need help, reach out to the [Business Innovations Clinic](#) at the UALR Law School. They provide free legal assistance for entrepreneurs and can help you draft contract agreements and other legal documents to protect your business.

Paying Taxes

Food trucks in Arkansas must remit sales tax payments to the [State Department of Finance and Administration](#). Register your business on their payment portal, ATAP. [Look up your tax rate](#) to make sure you charge the appropriate rate to your customers. Depending on the community in which you intend to operate, you may be obligated to pay a local retail food tax, also known as a “hamburger tax”.

Final Stop

The final stop in this journey is to apply for a business permit with your local municipality. Contact the city or county office to make sure you have met all of the requirements to operate a food truck within their area. If you plan to travel to additional communities, reach out to their municipal office to ask if additional permits are required for their jurisdiction.

KNOW YOUR NUMBERS, BUDGET THE EXPENSES

As you are researching startup costs, keep a list of the expenses that you will incur. This will help you determine the amount you will need to launch your business. Listed below are items that were covered in the guide. Customize your budget to fit your specific business needs.

- Food Truck
- Food Safety Training
- Licensing and Permits
- Insurance
- Point of Sale System
- Marketing
- Equipment
- Paper goods and cleaning supplies
- Maintenance and repairs
- Fuel
- Commissary fees (if renting kitchen space)
- Wastewater disposal fees
- Parking expenses
- Social media and website setup
- Professional services such as legal and accounting



CHECKLIST



- _____ Contact the local municipality about food truck requirements and sales tax on prepared food
- _____ Create a business name and conduct a name search on the Secretary of State's website
- _____ Seek advice from a lawyer about incorporation options and liability risks
- _____ Register for an EIN (Federal Taxpayer ID) for the business
- _____ Create a business bank account
- _____ Find locations to park the food truck during off-duty and open hours
- _____ Purchase a food truck and equipment
- _____ Register the vehicle with the Arkansas DMV
- _____ Install or inspect commercial hood ventilation and fire extinguishing systems
- _____ Contact the local Environmental Health Inspector for guidance on fresh & gray water systems
- _____ Obtain commercial vehicle insurance for the food truck
- _____ Obtain general and food liability insurance for the food business
- _____ Write out your establishment plan, employee handbook, and training plan
- _____ Apply for a permit with the Arkansas Health Department and prepare for inspection
- _____ Apply for a Sales Tax permit with the Arkansas Department of Finance and Administration
- _____ Register your business with the local municipality and prepare for inspection (if required)
- _____ Create a website and/or social media account(s) for the business
- _____ If you plan to stay in one location, claim your business on Google Business Profile

ADDITIONAL RESOURCES

[Arkansas Department of Finance and Administration](#)

[Arkansas Department of Health](#)

[Arkansas Department of Motorized Vehicles](#)

[ASBTDC License, Permits, and Tax requirements eBook](#)

Comissary Kitchens in Arkansas:

Little Rock – [ArKitchen](#)

Marshall – [Kitchen of the Arkansas Ozarks](#)

Rison - [Share Grounds](#)

West Memphis – [Delta Cuisine](#)



ABN SERVICES

The Arkansas Business Navigator Project is a collaborative program funded by the Small Business Administration that provides free assistance to small business owners and entrepreneurs in underserved communities throughout Arkansas. ABN focuses on the following groups: veterans, women, Latinos, LGBTQ+ individuals, and people who are socially and economically disadvantaged. For additional information, visit our website at www.arbusinessnavigator.com.



1:1 Business Consulting

Starting or running a small business can be a lonely road. Let us help. The Arkansas Business Navigator program helps small businesses and entrepreneurs start, grow, or reimagine their businesses. Our business consultants provide assistance with business startup, building a business plan, funding, finances/budgeting and business expansion.



Market Research

We provide personalized, tailored market analysis based on your unique needs. The in-depth, high-quality information comes from three sources: subscriptions to more than 20 proprietary market research databases, special GIS mapping software licensed by ASBTDC, and the wide range of academic resources we have access to as a university-based program.



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