

ORDINANCE NO. 1120

AN ORDINANCE ESTABLISHING CHAPTER 4.33,
EUREKA SPRINGS MUNICIPAL CODE, PROVIDING
FOR THE LEVY OF A SALES AND USE TAX, THE
DISTRIBUTION OF THE TAX, AND DECLARING
AN EMERGENCY

BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF EUREKA SPRINGS, ARKANSAS:

Section 1. Chapter 4.33, Eureka Springs Municipal Code, established.

Chapter 4.33, Eureka Springs Municipal Code, is hereby established to read
in its entirety as follows:

CHAPTER 4.33

SALES AND USE TAX

Sections:

4.33.01 Levy of Sales and Use Tax.

4.33.02 Rebate.

4.33.03 Election for Adoption or Abolition

4.33.04 Distribution of Tax Revenues.

4.33.01 Levy of sales and use tax.

- (a) Subject to adoption or abolition by an election as provided in Arkansas Statutes Section 19-4514 and Section 19-4515 (1980 Replacement), a local sales and use tax in the amount of one per cent (1%) shall be levied on the receipts from the sale at retail within the City of all items which are subject to taxation under the Arkansas Gross Receipts Tax Act of 1941, Act 386 of the 1941, Acts of Arkansas.
- (b) The sales and use tax in this Section is levied under the authority of Section 1 and 2, Act 990 of the 1975, Acts of Arkansas, as amended by Act 861 of the 1981, Acts of Arkansas.

4.33.02 Rebate.

- (a) The City shall rebate to the purchaser any collection of taxes in excess of Twenty-five Dollars (\$25.00) paid to the City in a single transaction.
- (b) The City Clerk/Treasurer shall establish such procedures, including provisions for authentication of the tax paid by the purchaser, to carry out the provision for rebate.

4.33.03 Election for adoption or abolition.

- (a) Before any sales and use tax shall be due, payable or collected, an election of the qualified electors of the City shall be conducted on the question as provided in Arkansas Statutes Section 19-4514 (c) (1980 Replacement).
- (b) No elections to adopt a local sales and use tax or to abolish such tax in the City shall be held within two (2) years from the date of the last preceding election concerning such adoption or abolition.

4.33.04 Distribution of Tax revenues.

The revenue from taxes collected under this Chapter shall be distributed as follows:

- (a) Fifty per cent (50%) to be deposited in a special account in the water and sewer fund to be used exclusively for water and sewer improvements;
- (b) Forty per cent (40%) to be deposited in a special account in the street fund to be used exclusively for street construction, maintenance and drainage; and,
- (c) Ten per cent (10%) to be deposited in a special account in the general fund to be used exclusively for purchase, repair and maintenance of fire and police equipment.

Section 2. Severability.

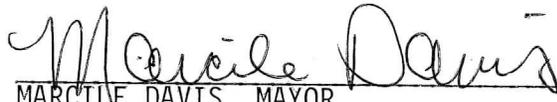
If any part of this ordinance is held to be unenforceable for any reason by a court of competent jurisdiction, such holding shall not affect the remaining parts of this ordinance, which shall remain in full force and effect.

Section 3. Emergency declared.

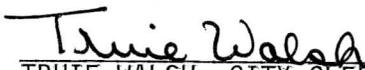
If it is hereby found by the City Council of the City of Eureka Springs, Arkansas that unless a sales and use tax is levied in accordance with this Ordinance the City will suffer a serious financial crisis and City services and functions will need to be drastically reduced or eliminated. Therefore, an emergency is declared to exist, and this Ordinance being necessary for the preservation of the public peace, health and safety, it shall take effect and be in full force from the date of its passage, approval and publication according to law.

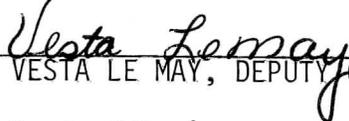
PASSED AND ORDAINED BY THE CITY COUNCIL OF THE
CITY OF EUREKA SPRINGS, ARKANSAS THIS 12th DAY
OF MAY, 1981.

APPROVED:


MARCILE DAVIS, MAYOR

ATTEST:


TRUIE WALSH, CITY CLERK-TREASURER


BY: VESTA LE MAY, DEPUTY CITY CLERK-TREASURER

(seal of office)