

ORDINANCE NO. 1386

AN ORDINANCE PROVIDING FOR THE LEVY OF A NEW ONE PERCENT SALES AND USE TAX WITHIN THE CITY OF EUREKA SPRINGS, ARKANSAS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the City Council of the City of Eureka Springs, Arkansas (the "City") has determined that there is a great need for immediate improvement of municipal services and for a new source of revenue to finance such services; and

WHEREAS, Title 26, Chapter 75, Subchapter 2 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation") provides for the levy of a one percent (1%) city-wide sales and use tax;

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Eureka Springs, Arkansas:

Section 1. Under the authority of the Authorizing Legislation, there is hereby levied a one percent (1%) tax on the gross receipts from the sale at retail within the City of all items which are subject to the Arkansas Gross Receipts Tax Act of 1941, as amended (A.C.A. §26-52-101, et seq.), and the imposition of an excise (or use) tax on the storage, use or other consumption within the City of tangible personable property subject to the Arkansas Compensating Tax Act of 1949, as amended (A.C.A. §26-53-101, et seq.), at a rate of one percent (1%) of the sale price of the property or, in the case of leases or rentals, of the lease or rental price (collectively, the "Sales and Use Tax"). The Sales and Use Tax shall be levied and collected only to a maximum tax of \$25 for each single transaction.

Section 2. "Single transaction" is defined according to the nature of the goods purchased as follows:

A. When two or more devices in which, upon which or by which any person or property is, or may be, transported or drawn, including but not limited to, on-road vehicles, whether required to be licensed or not, off-road vehicles, farm vehicles, airplanes, water vessels, motor vehicles, or non-motorized vehicles, and mobile homes, are sold to a person by a seller, each individual unit, whether part of a "fleet" sale or not, shall be treated as a single transaction for the purpose of the Sales and Use Tax.

B. The charges for utility services, which are subject to the Sales and Use Tax, and which are furnished on a continuous service basis, whether such services are paid daily, weekly, monthly, or annually, for the purposes of the Sales and Use Tax, shall be computed in daily increments, and each such daily charge increment shall be considered to be a single transaction for the purposes of the Sales and Use Tax.

C. For sales of building materials and supplies to contractors, builders or other persons, a single transaction, for the purposes of the Sales and Use Tax, shall be deemed to be any single sale which is reflected on a single invoice, receipt or statement, on which an aggregate sales (or use) tax figure has been reported and remitted to the State of Arkansas.

D. When two or more items of major household appliances, commercial appliances, major equipment and machinery are sold, each individual unit shall be treated as a single transaction for the purposes of the Sales and Use Tax.

E. For groceries, drug items, dry goods and other tangible personal property and/or services not otherwise expressly covered in this Section, a single transaction shall be deemed to be any single sale which is reflected on a single invoice, receipt or statement, on which an aggregate sales tax figure has been reported and remitted to the State of Arkansas.

Section 3. That the Sales and Use Tax shall be in addition to the other taxes currently levied and collected by the City.

Section 4. That all ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. That this Ordinance shall not take effect until an election is held on the question of levying the Sales and Use Tax at which a majority of the electors voting on the question shall have approved the levy of the Sales and Use Tax.

PASSED: March 20, 1990.

ATTEST:

Joanita Barner
City Clerk

APPROVED:
[Signature]
Mayor

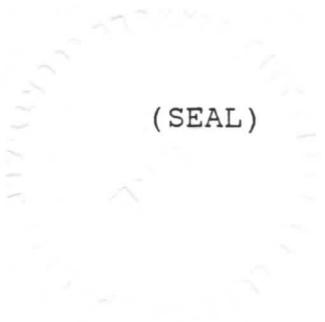
(SEAL)

CERTIFICATE

The undersigned, City Clerk of Eureka Springs, Arkansas, hereby certifies that the foregoing pages, numbered 1 and 2, are a true and perfect copy of Ordinance No. 1386, passed at a special session of the City Council of Eureka Springs, Arkansas, held at the regular meeting place of the City Council at 9:00 o'clock a.m., on the 20th day of March, 1990, and that the Ordinance is of record in Ordinance Record Book No. 5, Page 113, now in my possession.

GIVEN under my hand and seal this 20th day of March, 1990.

(SEAL)


Jaime S. Barner
City Clerk

EXCERPTS FROM MINUTES OF MEETING OF THE
EUREKA SPRINGS, ARKANSAS CITY COUNCIL
HELD MARCH 20, 1990

The City Council of the City of Eureka Springs, Arkansas met in special session at its regular meeting place in Eureka Springs, Arkansas, at 9:00 o'clock a.m., on the 20th day of March, 1990. The following were present: Mayor Richard Schoeninger; City Clerk Juanita Barner; and Aldermen Bill Featherstone, Richard Russell, Kenneth Smith
and Paul Willman

Absent: David Anderson and Ruth Spears

The Mayor stated that consideration should be given to an ordinance levying a new 1% sales and use tax within the City of Eureka Springs, Arkansas. Alderman Featherstone moved that an Ordinance entitled:

AN ORDINANCE PROVIDING FOR THE LEVY OF A NEW ONE PERCENT SALES AND USE TAX WITHIN THE CITY OF EUREKA SPRINGS, ARKANSAS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

be placed on its second reading.

The Mayor put the question on the adoption of the motion and the roll being called, the following voted aye:

Ald. Bill Featherstone, Richard Russell,
Kenneth Smith and Paul Willman

and the following voted nay:

Thereupon the Mayor declared that a majority of the members of the Council having voted on the motion to place the Ordinance on its second reading, the motion was carried. The Ordinance was then read by the City Clerk.

Alderman Featherstone, seconded by Alderman Willman, then moved that the rule requiring the reading of an ordinance or resolution in full on three different days be further suspended and that the Ordinance be placed on its third

reading. The Mayor put the question on the adoption of the motion and the roll being called, the following voted aye:

Ald. Featherstone, Russell, Smith
and Willman

and the following voted nay:

Thereupon the Mayor declared that at least two-thirds of all members of the Council having voted in favor of the motion to suspend the rule, the motion was carried and the rule suspended. The Ordinance was then read by the City Clerk.

Alderman Smith, seconded by Alderman Russell, moved that the Ordinance be adopted. The question was put by the Mayor on the adoption of the motion and the roll being called, the following voted aye:

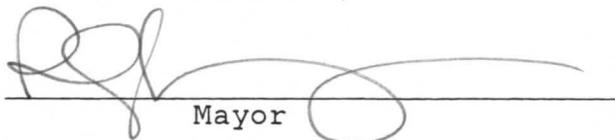
Ald. Featherstone, Russell, Smith
and Willman

and the following voted nay:

The Mayor thereupon declared the Ordinance adopted and signed the Ordinance, which was attested by the City Clerk and sealed with the seal of the City. The Ordinance was given No. 1386.

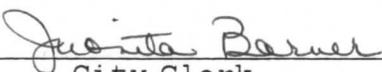
(Matters not relating to the Ordinance levying the new 1% sales and use tax are omitted.)

There being no further business, the Council
adjourned.



Mayor

ATTEST:

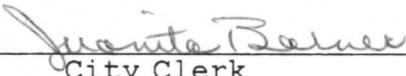


City Clerk

(SEAL)

CERTIFICATE

The undersigned, City Clerk of Eureka Springs, Arkansas, hereby certifies that the foregoing pages are a true and correct copy of excerpts of the minutes of a meeting of the City Council of Eureka Springs, Arkansas at a special session held at the regular meeting place of the Council in said City at 9:00 o'clock a.m., on the 20th day of March, 1990, and the time and place of the meeting was furnished to each person who made a request therefor in accordance with the provisions of Title 25, Chapter 19 of the Arkansas Code of 1987 Annotated.



City Clerk

(SEAL)

