

ORDINANCE NO. 908

AN ORDINANCE TO TAX, REGULATE, AND CONTROL THE SALE OF ALCOHOLIC BEVERAGES, BEER AND WINES BY PRIVATE CLUBS.

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

SECTION I. DEFINITION OF A PRIVATE CLUB. For purposes of this ordinance, a private club is defined as a non-profit organization, association or corporation, organized and existing under the laws of the State of Arkansas, no part of the net revenues of which shall inure directly or indirectly to the benefit of any of its members or any other individual, except for the payment of bona fide expenses of the club's operations, having not less than one hundred (100) members regularly paying annual dues of not less than Five (\$5.00) per member, conducted for some common recreational, social, patriotic, political, national, benevolent, athletic or other non-profit object or purpose other than the consumption of alcoholic beverages, owning or leasing a building or space therein for the reasonable comfort and accommodation of its members and their families and guests and restricting the use of club facilities to such persons, and which shall have been in existence for a period of not less than one (1) year before application for a license as hereinafter prescribed.

SECTION 2. SALE OF ALCOHOLIC BEVERAGES, BEER, AND WINES BY PRIVATE CLUBS DECLARED LEGAL. Hereafter, it is determined and declared that the preparation, mixing, and serving of mixed drinks, beer, and wine for consumption only on the premises of a private club as defined in Section 1 hereof, by the members and their guests, and the making of a charge for such services shall not be in violation of any law of this City prohibiting the manufacture, sale, barter, loan or giving away of intoxicating liquor, provided the following criteria have been met prior to such action:

(1) The alcoholic beverages, beer and wine to be consumed are furnished and drawn from private stocks thereof belonging to such members, individually or in common under a so-called

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"locker", "pool", or "revolving fund" system, and are replenished only at the expense of the members.

(2) All requirements imposed by State law have been complied with, regarding licensing and/or payment of fees and taxes.

(3) The private club has applied for and received a license from the City of Eureka Springs, in accordance with Section 3 of this ordinance, and paid all fees and taxes due under the terms of this ordinance.

SECTION 3. LICENSE, FEE, AND TAXES. The preparation, mixing, and serving of mixed drinks, beer, and wine, by private clubs, in the manner previously described in this ordinance, is hereby declared to be a privilege, and for the exercise of such privilege there is hereby levied an annual licence tax in the sum of Twenty-Five Dollars (\$25.00) for each and every private club so operated within the City.

Application for a license required by this ordinance shall be in writing and shall be filed with the City Clerk or Mayor. Such application shall contain a sworn statement of the name of the private club, the number of memberships existing, the amount of membership dues, purpose for which the club exists, how long the club has been organized, and a description of the method used or proposed to be used for dispensing alcoholic beverages, beer, or wine. The application for license must be accompanied by payment in full of the Twenty-Five Dollars (\$25.00) tax, and a receipt indicating payment of the City supplemental tax, hereinafter described, if said tax is due.

The City Clerk or Mayor shall issue a license to the applicant, after approval of the application by the Board of Directors, and upon payment of the license tax. The City Clerk or Mayor shall notify the City^{Marshall} of each license so issued.

Licenses required by this ordinance shall be issued in such a manner that they will run for such length of time as will be concurrent with the permit issued by the State.

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SECTION 4. SUPPLEMENTAL TAX ON GROSS REVENUE. In addition to the Twenty-Five Dollar (\$25.00) a year license tax, there is hereby imposed and levied a City Supplemental tax of five per centum (5%) upon the annual gross revenue of such private club. This gross revenue shall include only those gross receipts or gross proceeds which are derived by such private club from the charges to the members or their guests for the following services:

(1) For the preparation and serving of such mixed drinks.

(2) For the cooling and serving of beer and wine.

Said City supplemental tax, which is in addition to the State supplemental tax on private clubs, shall be paid to the City Treasurer of the City of Eureka Springs, shall be due at the same time after the State supplemental tax is due, and payment shall be accompanied by 1 copy of the State supplemental tax return.

SECTION 5. REPEALING CLAUSE. All ordinances or parts of ordinances in conflict herewith are hereby repealed, and this ordinance shall be in full force and effect from and after its passage, approval and publication.

SECTION 6. EMERGENCY CLAUSE. It is hereby found and determined by the Eureka Springs City Council that additional gross general revenues are urgently required to support the health, education, welfare and safety of the people of this city, and that unless such funds are provided, curtailment of some programs of the city might be necessary, and that the revenues to be collected under this ordinance are essential to continuing existing levels of government services. Therefore, an emergency is declared to exist and this ordinance being necessary for the immediate preservation of the public peace, health, and safety, it shall be in full force and effect from and after its passage and approval.

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PASSED AND APPROVED this 1st day of May, 1969.

ATTEST:

Charles B. Freeman
Mayor

Deputy Arthur J. Bandy
City Recorder