

ORDINANCE NO. 936

AN ORDINANCE LEVYING A TAX UPON THE GROSS RECEIPTS OF HOTELS, MOTELS, RESTAURANTS, CAFES, AND CAFETERIAS IN THE CITY; PRESCRIBING THE PROCEDURE FOR THE COLLECTION AND ENFORCEMENT OF THE TAX; PRESCRIBING THE PURPOSES FOR WHICH REVENUES DERIVED FROM COLLECTION OF THE TAX MAY BE USED; CREATING A CITY ADVERTISING AND PROMOTION COMMISSION; PRESCRIBING OTHER MATTERS PERTAINING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS the City of Eureka Springs, Arkansas hereinafter called "the City", has many benefits to offer visitors to the City and is presently unable to take full advantage of its resources for the attraction of visitors; and

WHEREAS the development of such resources and facilities would result in many economic and other benefits to the City and its inhabitants; and

WHEREAS the City does not have funds available to finance the needed resources and facilities; and

WHEREAS the General Assembly of the State of Arkansas adopted Act 185 of 1965, as amended by Act 30 of the First Extraordinary Session of 1965 and further amended by Act 123 of 1969, to provide a means by which the City can obtain the needed funds.

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

SECTION 1. DEFINITIONS

1. Gross Receipt Tax. A tax of one per cent upon the gross receipts or gross proceeds from the renting, leasing or otherwise furnishing of motel, hotel or camper park accommodations and upon the gross receipts or gross proceeds of restaurants, cafes and cafeterias in the City of Eureka Springs, Arkansas.
2. Hotel or Motel Accommodations. The renting, leasing or otherwise furnishing of accommodations in hotels, motels or camper parks upon a day to day basis or a week to week basis. Provided, however, that ~~this~~ shall not include the renting, leasing or furnishing of accommodations upon month to month

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tenancies or tenancies of a longer duration.

3. Restaurants and Cafes. Any establishment which shall offer any type of prepared foods for sale, and shall include the gross receipts upon all sales of prepared foods on any type of beverages prepared for consumption on or off the premises.

SECTION 2. CREATION OF CITY TOURIST PROMOTION COMMISSION AND FUND.

1. Commission Created.

The City Tourist Promotion Commission hereinafter called "the Commission", is hereby created. The Commission shall be composed of seven (7) members who shall be qualified electors of the City of Eureka Springs. Four (4) members of the Commission shall be hotel, motel or restaurant owners or managers, and the remaining members of the Commission shall be the Mayor and two (2) members of the City Council of Eureka Springs. The members of the Commission shall be appointed by the Mayor of the City of Eureka Springs, with the approval of the Eureka Springs City Council. The appointment of members of the Commission shall be for terms of four (4) years. Provided, however, the first members appointed to the Commission as owners or managers shall serve for terms of one, two, three and four years with the term of each member to be determined by lot at the first meeting of the Commission. Successor members shall be appointed for the full term of four (4) years. In the event of a vacancy occurring on the Commission, it shall be filled by appointment by the Mayor, subject to the approval of the Eureka Springs City Council. Each commissioner shall file the oath required by law in the State of Arkansas of public officials. Each commissioner shall furnish to the City of Eureka Springs a Five Thousand and 00/100 (\$5,000.00) Dollar surety bond that will serve to insure the City against misappropriation or mishandling of funds. The surety on said bond shall be a reputable surety corporation.

The premium on this bond shall be paid from the Eureka Springs Tourist Promotion Fund. Any Commissioner appointed under the provision of this Ordinance may be removed for cause upon a two-third (2/3) vote of the Eureka Springs City Council.

2. Fund Created. The funds received by the Commission under the provisions of this Ordinance shall be paid into the Eureka Springs Tourist Promotion Fund, hereinafter called "the Fund". All revenues so collected shall be used exclusively for development of tourist facilities in the City of Eureka Springs and for advertising and promotion of the City of Eureka Springs.

3. Restrictions On Use. All revenues received by the Commission, pursuant to Act 185 of 1965 as amended by Act 30 of the First Extraordinary Session of 1965 and by Act 123 of 1969, shall be "Special Revenues", and shall be deposited by the Commission into the Fund in such bank account or accounts as may be designated by the Commission.

SECTION 3. GROSS RECEIPTS TAX

1. Tax Levy. From and after the passage and approval of this Ordinance a tax in the sum of one per cent shall be levied upon the gross receipts or gross proceeds upon the renting, leasing or otherwise furnishing of hotel, motel, or camper park accommodations for profit, and upon the gross receipts or gross proceeds of restaurants and cafes within the corporate limits of the City of Eureka Springs, Arkansas.

2. Taxable Businesses. The City Tourist Promotion Commission shall prepare and maintain a current list of the business establishments in the City of Eureka Springs, subject to the above tax.

3. Tax Collection. The tax herein levied shall be paid by the persons, firms or corporations liable therefore, and shall be collected by the City Tourist Promotion Commission in the same manner and at the same time as the gross receipts tax levied by Act 386 of 1941 as amended. All the provisions of Act 386 of 1941 as amended, and the rules, regulations and forms

promulgated and prescribed by the Commissioner of Revenues pursuant to said Act shall, so far as practicable, be applicable with respect to the enforcement and collection of the tax levied pursuant to this Ordinance.

SECTION 4. ORGANIZATION OF COMMISSION - POWERS AND DUTIES.

A. The Commission shall meet within two (2) weeks of its appointment and shall be organized by electing a Chairman, a Secretary and a Treasurer. Thereafter, the Commission shall meet as often as may be necessary, and also shall be subject to special call by the Chairman.

B. The commissioners shall adopt such rules and regulations as they may deem necessary and expedient for the proper operation of said commission, and they shall have the authority to alter, change or amend such rules and regulations at their discretion.

C. The Commission hereunder appointed shall have the exclusive authority to utilize all revenues collected in the Fund for the development of tourist facilities, advertising and tourist promotion of the City of Eureka Springs. The advertising and tourist promotion of the City of Eureka Springs may be defined by the Commission to mean any activity connected with tourism, with special emphasis to development of convention and parking facilities.

D. The commissioners hereunder appointed, in addition to their other powers enumerated herein, shall have the exclusive right and power to make purchases of all supplies necessary for the management and operation of the Commission.

E. The commissioners shall have authority to employ the necessary personnel to assist in the administration and operation of the Fund and shall have the authority to fix the salary or salaries for such personnel. Any employee who shall handle funds for the Commission shall be required to furnish

the City a surety bond in an amount to be determined by the Commission to insure the City against misappropriation of funds.

F. The commissioners shall make quarterly reports to the Mayor and City Council of the City of Eureka Springs beginning three (3) months after their oath of office, reporting in full on the operations of the Commission, including an accounting of receipts and disbursements, and shall upon request of the Eureka Springs City Council furnish such other and further reports and data as may be required. The commissioners shall select a recognized auditing firm to submit an annual audit of the operations of the Commission to the Mayor and City Council of the City of Eureka Springs.

SECTION 5. CONFLICTS AND EMERGENCY CLAUSE.

1. Repeal. All ordinances and resolutions, and parts thereof, in conflict, in whole or in part, with any of the provisions of this Ordinance are hereby repealed to the extent of such conflict.

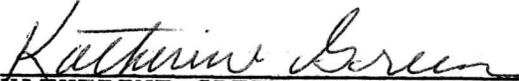
2. Severability. The provisions of this Ordinance are hereby declared to be severable. If any provision shall be held to be invalid or to be inapplicable to any persons or circumstances, such invalidity or inapplicability shall not affect the remainder of the provisions of this Ordinance.

3. Emergency Clause. It has been found, and it is hereby declared, that the City badly needs additional revenues for the development of a convention center and parking facilities and for the advertising and promotion of the City; that this Ordinance and the tax levied by it are the only reasonable means available for the alleviation of these needs; and that the advertisement and promotion of the City and the development of a convention center are essential to the continued development of the City and to the welfare of the inhabitants thereof. This Ordinance, therefore, being necessary for the preservation of the public peace, health and safety, an emergency is declared to exist and this Ordinance shall be in effect from and after its passage and approval.

PASSED AND APPROVED by the City Council of Eureka
Spirings, Arkansas, this 4th day of May, 1972.


FRED L. NAFF, MAYOR

ATTEST:


KATHERINE GREEN, CITY CLERK

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