

⑤ City of Conway
R/3/98

ORDINANCE NO. 0-01-77

AN ORDINANCE PROVIDING FOR THE LEVY OF A THREE-QUARTER OF ONE PERCENT (3/4%) SALES AND USE TAX WITHIN THE CITY OF CONWAY, ARKANSAS; DESIGNATING THE USES OF THE PROCEEDS THEREFROM; PROVIDING FOR AN EXPIRATION DATE OF SEPTEMBER 30, 2006; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the City Council of the City of Conway, Arkansas (the "City"), has determined that there is a great need for immediate improvement of municipal services, and that such improvement can best be accomplished through the acquisition, construction, improvement and maintenance of certain capital improvements of a public nature and through the giving of a credit of up to five (\$5.00) dollars per month for sanitation service fees for heads of households age sixty-five (65) or older, and that there is a need for a source of revenue to finance such purposes; and

WHEREAS, Title 26, Chapter 75, Subchapter 2 of the Arkansas Code of 1987 (the "Authorizing Legislation") authorizes the levy of a citywide sales and use tax;

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

Section 1. That under the authority of the Authorizing Legislation, and subject to the approval of the electors of the City, there is hereby levied a sales tax at the rate of three-quarter of one percent (3/4%) on the gross receipts from the sale at retail within the City of all items which are subject to the Arkansas Gross Receipts Act of 1941, as amended (A.C.A. §26-52-101, et seq.), and an excise (or use) tax on the storage, use, distribution or other consumption within the City of tangible personal property subject to the Arkansas Compensating Tax Act of 1949, as amended (A.C.A. §26-53-101, et seq.), at a rate of three-quarters of one percent (3/4%) 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 on the first \$2,500 of each single transaction. The uses of the proceeds of the Sales and Use Tax shall be designated for the purposes of acquiring, constructing, improving and maintaining streets, roads, sidewalks, bridges, underpasses, overpasses, public transit facilities, drainage facilities, sanitation equipment and operations, parking facilities, pedestrian facilities and for providing a credit of up to five (\$5.00) dollars per month for sanitation service fees for heads of households age sixty-five (65) years or older who apply for said credit.

Section 2. That all ordinances and parts thereof in conflict

following form:

Vote on measure by placing an "X" in the square opposite the measure either for or against:

FOR adoption of a three-quarter of one percent (3/4%) local sales and use tax within the City of Conway, Arkansas which shall expire on September 30, 2006, for the purpose of acquiring, constructing, improving and maintaining streets, roads, sidewalks, bridges, underpasses, overpasses, public transit facilities, drainage facilities, sanitation equipment and operations, parking facilities, pedestrian facilities and for providing a credit of up to five (\$5.00) dollars per month for sanitation service fees for heads of households age sixty-five (65) years or older who apply for said credit.

AGAINST adoption of a three-quarter of one percent (3/4%) local sales and use tax within the City of Conway, Arkansas which shall expire on September 30, 2006, for the purpose of acquiring, constructing, improving and maintaining streets, roads, sidewalks, bridges, underpasses, overpasses, public transit facilities, drainage facilities, sanitation equipment and operations, parking facilities, pedestrian facilities and for providing a credit of up to five (\$5.00) dollars per month for sanitation service fees for heads of households age sixty-five (65) years or older who apply for said credit.

Section 3. That the election shall be held and conducted and the vote canvassed and the results declared under the law and in the manner now provided for municipal elections unless otherwise provided in Title 26, Chapter 75, Subchapter 2 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation") and only qualified voters of the City shall have the right to vote at the election.

Section 4. That the results of the election shall be proclaimed by the Mayor, and his Proclamation shall be published one time in a newspaper published in the City and having a general circulation therein, which Proclamation shall advise that the results as proclaimed shall be conclusive unless attacked in the courts within thirty days after the date of publication.

Section 5. That a copy of this Ordinance shall be given to the Faulkner County Board of Election Commissioners so that the necessary election officials and supplies may be provided. A certified copy of this Ordinance and a map clearly showing the boundaries of the City shall also be provided to the Director of the Department of Finance and Administration of the State of Arkansas as soon as practical.

Section 6. That the Mayor and City Clerk, for and on behalf of the City, be, and they are hereby authorized and directed to do any and all things necessary to call and hold the special election as herein provided and, if the levy of the Sales and Use Tax is approved by the electors, to cause the Sales and Use Tax to be collected in accordance with the Authorizing Legislation, and to perform all acts of whatever nature necessary to carry out the authority conferred by this Ordinance.

Section 7. That "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 and 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 or machinery are sold, each individual unit shall be treated as a single transaction for the purposes of the Sales and Use Tax.

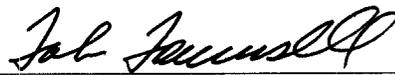
E. For groceries, drug items, dry goods and other tangible personal property and/or services not otherwise expressly covered in this Section, a single transaction shall be deemed to be any single sale which is reflected on a single invoice, receipt or statement, on which an aggregate sales tax figure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

Section 8. That all ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. That it is hereby ascertained and declared that there is a great need to establish a stable source of revenue to finance vital municipal services, specifically, the capital improvements and sanitation service fee credit set out above, in order to promote and protect the health, safety and welfare of the City and its inhabitants. It is, therefore, declared that an emergency exists and this Ordinance being necessary for the immediate preservation of public peace, health and safety shall be in force and take effect immediately from and after its passage.

PASSED this 10th day of July, 2001.

APPROVED:



MAYOR TAB TOWNSELL

ATTEST:



MICHAEL O. GARRETT, CITY CLERK