

ORDINANCE NO. 2007-01

AN ORDINANCE PROVIDING FOR THE LEVY OF A ONE PERCENT (1%) SALES AND USE TAX WITHIN THE CITY OF POCAHONTAS, ARKANSAS; PRESCRIBING OTHER MATTERS PERTAINING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the City Council of the City of Pocahontas, Arkansas (the "City"), has determined that there is a great need for immediate improvement of municipal services and for a 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%) citywide sales and use tax;

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

SECTION I. 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 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, 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 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 on the first \$2,500.00 for each single transaction.

SECTION II. Provided this Sales and Use Tax is approved by the voters, collection of the tax will begin July 1, 2008.

SECTION III. All Ordinances and parts of Ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION IV. 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.

SECTION V. It is hereby ascertained and declared that there is a great need to establish a stable source of revenue to finance vital municipal services in order to promote and protect the health, safety, and welfare of the City and it's 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 it's passage.

PASSED this 24th day of April, 2007.

APPROVED:

  
Mayor Gary Crocker

ATTEST:

  
Sheila Rose, City Clerk/Treasurer