

ORDINANCE 03-2016

AN ORDINANCE PROVIDING FOR THE LEVY OF A NEW ONE PERCENT (1%) SALES TAX AND USE TAX WITHIN THE CITY OF HASKELL, ARKANSAS FOR POLICE DEPARTMENT (0.75%) AND PARKS IMPROVEMENTS (0.25%) PURPOSES, AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the City Council of the City of Haskell, Arkansas (the "City"), has determined that there is a great need for an additional source of revenue to finance the maintenance, operation and expenses of the Haskell Police Department and Parks Improvements; and;

WHEREAS, Title 26, Chapter 75, Subchapter 2 of the Arkansas Code Of 1987 Annotated (the "Authorizing Legislation") provides for the levy of the city-wide sales and use tax or taxes at the rate of 0.125%, 0.25%, 0.5%, 0.75% or 1%, or any combination thereof;

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

SECTION 1. *Use of Certain Terms.* The term "Sales and Use Tax" when it is used in this Ordinance shall refer collectively to all taxes to be levied pursuant to this Ordinance unless the context clearly requires otherwise.

SECTION 2. *Sales and Use Tax Levied.* Under the authority of the Authorizing Legislation, there is hereby levied a new 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 a new 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 on the gross receipts, gross proceeds or sales price in the maximum amount allowed from time to time under Arkansas law, subject to rebates and limitations as required for certain single transactions as from time to time required by Arkansas statutes.

SECTION 3. *Proceeds of Tax Allocated.* The Sales and Use Tax shall be levied, and the amounts received by the City after deduction of the administrative charges of the State of Arkansas and required rebates (the "Net Collections") shall be used by the City for the maintenance, operation and expenses of the Police Department and the Parks Department as follows:

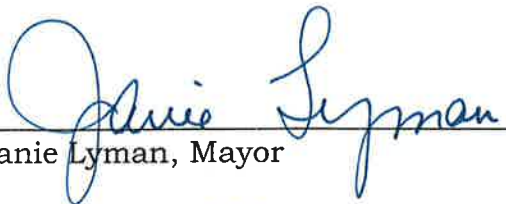
(a) three-fourths ($\frac{3}{4}$) of the net collections shall be placed in the General Fund of the City, in a separate account, and shall be used for maintenance, operation and expenses of the Police Department.

(b) one-fourth (1/4) of the net collections shall be placed in the General Fund of the City, in a separate account, and shall be used for maintenance, operation, improvements and expenses of the Parks Department.


SECTION 4. *Conflicting Provisions Repealed.* All ordinances and resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict only, but not otherwise.

SECTION 5. *Tax Levy Subject to Election.* The Sales and Use Tax stated in 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 AND APPROVED this 13th day of June, 2016.


Janie Lyman, Mayor

ATTEST:


Dori Lyman, Recorder

