

RESOLUTION NO. 17

CREDIT FOR THREE MILL TAX AS
TAX EFFORT FOR REVENUE SHARING

WHEREAS, the three mill road tax is voted by the people in each county every two years and that by statute either one half ($\frac{1}{2}$) or more of this three mill road tax on property in each city and town is returned by the County Treasurer to that city or town; and,

WHEREAS, the distribution of the three mill road tax in each county is fixed by state statute and that the tax is one that is shared by the county and its municipalities and is not a turnback from the county to the municipalities; and,

Whereas, the county has been receiving credit for the entire three mill road tax in its tax effort for revenue sharing thereby penalizing all the towns and cities in Arkansas and this is one of the reasons counties will receive \$22 $\frac{1}{2}$ million in Revenue Sharing this year while municipalities are receiving less than \$17 million,

NOW, THEREFORE, BE IT RESOLVED by the Tontitown Town Council in Special Session; that we urge the Bureau of the Census and the Revenue Sharing Office of the Treasury Department to classify the municipal share of the three mill road tax as municipal taxes and as part of the tax effort of Arkansas municipalities.

In brief, we are asking the appropriate federal authorities to apply the "Memphis Rule" to the Arkansas three mill road tax as they applied the "Memphis Rule" to the county and municipal local sales tax in Tennessee and other states.

Passed this 20th day of November, 1973.

Harry Shanotto

Mayor

Attest:

Richard M. Ardemagni Sr.,
Recorder