

ORDINANCE NO. 131

AN ORDINANCE PROVIDING FOR THE LEVY OF A ONE PERCENT SALES AND USE TAX WITHIN THE CITY OF TONTITOWN, ARKANSAS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the City Council of the City of Tontitown, Arkansas (the "City"), has determined that there is a great need for immediate improvement of municipal water and sewer 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 Tontitown, Arkansas:

Section 1. 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.*), at a rate of one percent (1%) of the sale price of the goods or, in the case of retail 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 for each single transaction.

Section 2. That all ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 3. That 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.

The foregoing Ordinance was duly and regularly introduced and passed at a special meeting of the City Council of the City of Tontitown, Arkansas, on this 24th day of August, 1999.



ATTEST:

Frances Franco
Frances Franco, City Clerk

APPROVED:

Daniel A. Watson
Daniel Watson, Mayor

FILED FOR RECORD
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K. HARNES