

# **LEVYING SALES AND USE TAX**

## **ORDINANCE NO. 112**

**AN ORDINANCE CALLING A SPECIAL ELECTION IN THE CITY OF CHERRY VALLEY, ARKANSAS, ON THE QUESTION OF LEVYING A ONE PERCENT (1%) SALES AND USE TAX WITHIN THE CITY OF CHERRY VALLEY, ARKANSAS; DEFINING THE TERM "SINGLE TRANSACTION;" PRESCRIBING OTHER MATTERS PERTAINING THERETO; AND DECLARING AN EMERGENCY.**

**WHEREAS, THE City Council of Cherry Valley, Arkansas (the "City"), has passed on October 2, 2003, Ordinance No. 111 providing for the levy of a one percent (1%) sales and use tax within the City (the "Sales and Use Tax"), for the purpose of acquiring and/or constructing and equipping a building to house an ambulance service, police department, and fire department; and**

**WHEREAS, the Sales and Use Tax shall be levied and collected only on the first \$2,500 for each single transaction; and**

**WHEREAS, the Sales and Use Tax shall be collected for a period of five (5) years.**

**WHEREAS, the purpose of this Ordinance is to call a special election on the question of the levy of the Sales and Use Tax, and to define the term "single transaction;"**

**NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Cherry Valley, Arkansas:**

### **SECTION 1:**

**That there be, and there is hereby called, a special election to be held on November 11, 2003, at which election there shall be submitted to the electors of the City the question of the levy of the Sales and Use Tax.**

### **SECTION 2:**

**That the question of levying the Sales and Use Tax shall be placed on the ballot for the election in substantially the following form:**

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**SALES AND USE TAX BALLOT FORM**

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

*FOR adoption of a one percent (1%) local sales and use tax within the City of Cherry Valley, Arkansas, for the purpose of acquiring and/or constructing and equipping a building to house an ambulance service, police department, and fire department, to be collected for a period of five (5) years.....□*

*AGAINST adoption of a one percent (1%) local sales and use tax within the City of Cherry Valley, Arkansas, for the purpose of acquiring and/or constructing and equipping a building to house and ambulance service, police department, and fore department, to be collected for a period of five (5) years.....□*

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### **SECTION 3:**

*That the election shall be held and conducted and the vote canvassed and the results declared under 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 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 Cross County Board of Election Commissioners so that the necessary election officials and supplies may be provided. A certified copy of this Ordinance shall also be provided to the Commissioner of Revenues 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.*

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### SECTION 7:

*“Single Transaction” is defined according to the nature of 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-roads vehicles, whether required to be licensed or not, off-road vehicles, farm vehicles, airplanes, water vessels, motor vehicles or non-motorized vehicles and mobile home, 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 purpose of the Sales and Use Tax, shall be computed in daily increments, and such daily charge increment shall be considered to be a single transaction for the purpose of the Sales and Use Tax.*
- C. For sales of building materials and supplies to contractors, builders or other persons, a single transaction, for the purpose 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 aggregated 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, and machinery are sold, each individual unit shall be treated as a single transaction for the purpose 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.*

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**SECTION 8:**

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

**SECTION 9:**

*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 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: October 2, 2003**

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
*City Clerk*

\_\_\_\_\_  
*Mayor*