

ORDINANCE NO. 126

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AN ORDINANCE PROVIDING FOR THE LEVY OF A ONE (1%) PERCENT SALES AND USE TAX WITH IN THE CITY OF CHERRY VALLEY, ARKANSAS FOR A 5 YEAR PERIOD FOR ECONOMIC DEVELOPMENT; AND PRECRIBING OTHER MATTERS PERTAINING TO.

WHEREAS, there is a need for economic development for the citizens of Cherry Valley, Arkansas; and

WHEREAS, the City Council of the City of Cherry Valley, 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 for economic development with the City of Cherry Valley, Arkansas; and

WHEREAS, Title 26, Chapter 75, Subchapter 2 & Title 14, Chapter 174, Subchapter 101 of the Arkansas Code of 1987 Annotated (the “Authorizing Legislation”) provides for the levy of a one (1%) percent citywide sales and use tax;

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

SECTION 1:

Under the authority if the Authorizing Legislation, there is hereby levied a one (1%) percent 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. & §14-174-101, 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. §26-52-101, et. seq. & §14-174-101, et. seq. at a rate of one (1%) percent 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”) for economic development.

SECTION 2:

The city council further finds that in order to provide such funding a one percent (1%) sales tax should be levied upon the gross proceeds or gross receipts derived from sales with in the City of Cherry Valley for a period of five (5) years, said period to begin when the tax first begins to be collected, with the proceeds from such tax to be used for the purpose of economic development for the citizens of the City.

SECTION 3:

That all ordinances and parts thereof in conflict here within are hereby repealed to the extent of such conflict.

SECTION 4:

That this Ordinances shall not take effect an election is held on the question of levying the Sales and Use at which a majority of the electors voting on the question shall have approved the levy of the Sales and Use Tax.

EMERGENCY CLAUSE

The need to address providing adequate economic development for the citizens of the City of Cherry Valley, being necessary for the preservation of the public peace, health, safety, welfare, an emergency is hereby declared, and this Ordinance shall be in full force and effect from and after its passage.

PASSED AND APPROVED THE 12 DAY OF August, 2008

ATTEST:


City Clerk

Approved:


Mayor

SEAL

CERTIFICATE

The undersigned, City Clerk of Cherry Valley, Arkansas, hereby certifies that the foregoing pages are true and perfect copy of Ordinance No. 126, passed at a regular session of the Cherry Valley City Council, held at their regular meeting place of the City of Cherry Valley at 6 o' clock p.m., on the 12 day of August, 2008, and the Ordinance is of record in Ordinance Record Book No. 2, Page 47, now in my possession.

GIVEN under my hand and seal this 12 day of August, 2008.

Stacey Bennett
Clerk

(SEAL)