ORDINANCE NO. 92-6

AN ORDINANCE PROVIDING FOR THE LEVY OF A 1/2 PERCENT SALES AND USE TAX WITHIN THE CITY OF ATKINS, ARKANSAS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the City Council of the City of Atkins, 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; and

WHEREAS, Title 26, Chapter 75, Subchapter 2 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation") provides for the levy of a 1/2 percent (1/2%) city-wide sales and use tax;

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

SECTION 1. Under the authority of the Authorizing Legislation, there is hereby levied a 1/2 percent (1/2%) 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. Sec. 26-52-101, et seq.) and the imposition of an excise (or use) tax on the storage, use or other consumption within the City of tangible personal property subject to the Arkansas Compensating Tax Act of 1949, as amended (A.C.A. Sec. 26-53-101, et seq.), at a rate of 1/2 percent (1/2%) 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 only to a maximum tax of $25 for each single transaction.

SECTION 2. "Single transaction" is defined according to the nature of the 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-road vehicles, whether required to be licensed or not, off-road vehicles, farm vehicles, airplanes, water vessels, motor vehicles or non-motorized vehicles and mobile homes, 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 purposes of the Sales and Use Tax, shall be computed in daily increments, and each such daily charge increment shall be considered to be a single transaction for the purposes 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 purposes 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 aggregate 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 purposes 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.

SECTION 3. That all ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4. 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.

This Ordinance passed and approved this 11th day of August, 1992.

STEPHEN KENT, Mayor

BRENDA GRAVES, City Clerk

CITY OF ATKINS, ARKANSAS

PROCLAMATION

OFFICE OF THE MAYOR OF THE CITY OF ATKINS, ARKANSAS

TO THE PEOPLE OF THE CITY OF ATKINS, ARKANSAS, GREETINGS:

WHEREAS, a special election was held on November 3, 1992, which submitted the levying of a ½ percent (½%) sales and use tax to the qualified voters of the City of Atkins, and

WHEREAS, the laws of the State of Arkansas require the Mayor of the City of Atkins to issue a proclamation of the results of such special election with reference to the local sales and use tax, such proclamation to be published one (1) time in a newspaper having general circulation in the city.

NOW, THEREFORE, I, STEPHEN KENT, Mayor of the City of Atkins, by virtue of the authority vested in me by law, do hereby proclaim the following to be the results of the November 3, 1992, special election as to the levying of a ½ percent (½%) local sales and use tax within the City of Atkins.

For adoption of a ½ percent (½%) local sales and use tax within the City 594

Against adoption of a ½ percent (½%) local sales and use tax within the City 451

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of my office to be affixed this 4th day of November, 1992.

Signed: Stephen C Kent

STEPHEN KENT, Mayor of City of Atkins

Instructions: This Notice shall be published one time in a newspaper that is circulated in the City of Atkins after the special election.