

**ORDINANCE NO. 340**

**AN ORDINANCE LEVYING PURSUANT TO ARK. CODE ANN. § 26-75-601 TO -618, AND UPON APPROVAL OF THE ELECTORS OF THE CITY OF CARLISLE, ARKANSAS, A THREE PERCENT (3%) GROSS RECEIPTS TAX ON HOTELS, MOTELS AND RESTAURANTS TO BE USED FOR THE DEVELOPMENT, CONSTRUCTION AND MAINTENANCE OF CITY PARKS IN THE CITY OF CARLISLE, ARKANSAS; TO BE DEPOSITED INTO A SPECIAL FUND TO BE USED FOR THE DEVELOPMENT, CONSTRUCTION AND MAINTENANCE OF CITY PARKS IN THE CITY OF CARLISLE, ARKANSAS; TO BE DISBURSED BY THE MAYOR UPON APPROVAL OF THE CITY COUNCIL; DIRECTING THE SUBMISSION OF THE QUESTION OF SAID GROSS RECEIPTS TAX TO THE QUALIFIED ELECTORS OF THE CITY OF CARLISLE, ARKANSAS, AT GENERAL ELECTION TO BE HELD ON THE 5<sup>TH</sup> DAY OF NOVEMBER, 2024; ESTABLISHING A CITY ADVERTISING AND PROMOTION COMMISSION; SETTING A PENALTY FOR NONCOMPLIANCE; DIRECTING THE CITY OFFICIALS TO TAKE ANY AND ALL OTHER ACTION NECESSARY TO ACCOMPLISH SAID MATTER; AND FOR OTHER PURPOSES**

**WHEREAS**, the City of Carlisle, Arkansas (the "City") is committed to the development, construction and maintenance of city parks for the use and enjoyment of the residents of the City.

**WHEREAS**, additional revenue is necessary in order to properly develop, construct and/or maintain said city parks;

**WHEREAS**, pursuant to Ark. Code Ann. §§ 26-75-601 to -618, a city council may, by ordinance, levy a tax on the gross receipts on hotels/motels and restaurants as defined therein for the purposes of advertising and promotion **and** for the development, construction and maintenance of city parks;

**WHEREAS**, The City Council for the City desires that such a gross receipts tax be levied, however, it wishes to limit the use of said tax to the development, construction, and maintenance of city parks;

**WHEREAS**, pursuant to Ark. Code Ann. §26-75-604 the application of said tax may be limited to the development, construction, and maintenance of city parks if it is levied by the electors of the City and the ballot dedicates the tax for the development, construction, and maintenance of city parks;

**WHEREAS**, the City Council for the City desires to cause the levy of a gross receipts tax on hotel/motels and restaurants as provided in Ark. Code Ann. §§ 26-75-601 to -618, to limit its application to the development, construction, and maintenance of city parks, and to subject this

ordinance levying said tax to the approval of the electors pursuant to Ark. Code Ann. §26-75-604.

**NOW THEREFORE BE IT ORDAINED**, by the City Council for the City of Carlisle, Arkansas.

**SECTION 1: LEVY OF TAX.**

Subject to approval of the electors of the City pursuant to Ark. Code Ann. §26-75-604, the City hereby levies:

(A) A tax of three percent (3%) on the portion of the gross receipts or gross proceeds received from the renting, leasing or otherwise furnishing of hotel, motel or short-term condominium rental accommodations for sleeping, meeting, or party room facilities for profit in the City, but such accommodation shall not include the rental or lease of such accommodations for periods of thirty (30) days or more; and

(B) A tax of three percent (3%) on the portion of the gross receipts or gross proceeds received by restaurants, cafes, cafeterias, delicatessens, drive-in restaurants, carry-out restaurants, concession stands, convenience stores, grocery store restaurant/delicatessens, and similar businesses from the sale of prepared food and beverages for on or off-premises consumption, except that such tax shall not apply to such gross receipts or gross proceeds of fraternal organizations qualified under Section 501 (c)(3) of the federal Internal Revenue Code or to concession stands at local sporting events or charity events.

**SECTION 2:** The question of gross receipts tax and distribution shall be submitted to the qualified electors of the City of Carlisle at the general election called for such purposes which will be held on the 5<sup>th</sup> day of November, 2024, to be placed on the ballot and substantially the following form:

☐FOR: AN ORDINANCE LEVYING PURSUANT TO ARK. CODE ANN. § 26-75-601 TO - 618, AND UPON APPROVAL OF THE ELECTORS OF THE CITY OF CARLISLE, ARKANSAS, A THREE PERCENT (3%) GROSS RECEIPTS TAX ON HOTELS, MOTELS AND RESTAURANTS TO BE USED FOR THE DEVELOPMENT, CONSTRUCTION AND MAINTENANCE OF CITY PARKS IN THE CITY OF CARLISLE, ARKANSAS; TO BE DEPOSITED INTO A SPECIAL FUND TO BE USED FOR THE DEVELOPMENT, CONSTRUCTION AND MAINTENANCE OF CITY PARKS IN THE CITY OF CARLISLE, ARKANSAS; TO BE DISBURSED BY THE MAYOR UPON APPROVAL OF THE CITY COUNCIL; DIRECTING THE SUBMISSION OF THE QUESTION OF SAID GROSS RECEIPTS TAX TO THE QUALIFIED ELECTORS OF THE CITY OF CARLISLE, ARKANSAS, AT THE GENERAL ELECTION TO BE HELD ON THE 5<sup>TH</sup> DAY OF NOVEMBER, 2024; ESTABLISHING A CITY ADVERTISING AND PROMOTION COMMISSION; SETTING A PENALTY FOR NONCOMPLIANCE; DIRECTING THE CITY OFFICIALS TO TAKE ANY AND ALL OTHER ACTION NECESSARY TO ACCOMPLISH SAID MATTER; AND FOR OTHER PURPOSES.

□AGAINST: AN ORDINANCE LEVYING PURSUANT TO ARK. CODE ANN. § 26-75-601 TO -618; AND UPON APPROVAL OF THE ELECTORS OF THE CITY OF CARLISLE, ARKANSAS, A THREE PERCENT (3%) GROSS RECEIPTS TAX ON HOTELS, MOTELS AND RESTAURANTS TO BE USED FOR THE DEVELOPMENT, CONSTRUCTION AND MAINTENANCE OF CITY PARKS IN THE CITY OF CARLISLE, ARKANSAS; TO BE DEPOSITED INTO A SPECIAL FUND TO BE USED FOR THE DEVELOPMENT, CONSTRUCTION AND MAINTENANCE OF CITY PARKS IN THE CITY OF CARLISLE, ARKANSAS; TO BE DISBURSED BY THE MAYOR UPON APPROVAL OF THE CITY COUNCIL; DIRECTING THE SUBMISSION OF THE QUESTION OF SAID GROSS RECEIPTS TAX TO THE QUALIFIED ELECTORS OF THE CITY OF CARLISLE, ARKANSAS, AT THE GENERAL ELECTION TO BE HELD ON THE 5<sup>TH</sup> DAY OF NOVEMBER, 2024; ESTABLISHING A CITY ADVERTISING AND PROMOTION COMMISSION; SETTING A PENALTY FOR NONCOMPLIANT; DIRECTING THE CITY OFFICIALS TO TAKE ANY AND ALL OTHER ACTION NECESSARY TO ACCOMPLISH SAID MATTER; AND FOR OTHER PURPOSES

### **SECTION 3: COLLECTION OF TAX.**

Upon approval of the electors of the City pursuant to Ark. Code Ann. § 26-75-604,

(A) The three percent (3%) tax described in this ordinance shall be paid by the persons, firms and corporations liable therefore and shall be collected by the Advertising and Promotion Commission of the City (hereinafter the "Commission"), or by City of Carlisle as the designated agent of the Commission, in the same manner and at the same time as the tax levied by the Arkansas Gross Receipts Act, Ar. Code Ann. § 26-52-101, et. seq. [Ark. Code Ann. § 26-75-603(a)(1)].

(B) The person paying the tax shall report and remit say tax on forms provided by the Commission, or its designated agent, and as directed by the Commission, or it's designated agent. The rules, regulations, forms of notice, assessment procedures, and the enforcement and collection of the tax under the Arkansas Gross Receipts Act, Ark. Code Ann. § 26-52-101 et seq. and the Arkansas tax Procedure Act, Ark. Code Ann. §26-18-101, et seq., shall, so far as is practicable, be applicable with respect to the enforcement and all actions shall be by, and through the proper Commission officials or agents. [Ark. Code Ann. § 26-75-603 (b)].

(C) The tax levied by this ordinance shall be collected from the purchaser or user of the food or accommodation by the person selling such food or furnishing such accommodations. Such person shall pay to the City by the twentieth (20<sup>th</sup>) day of each month all collections of the tax for the preceding month, accompanied by reports on forms to be prescribed the Commission.

### **SECTION 4: CREATION OF COMMISSION FOR COLLECTING TAX.**

Subject to approval of the electors of the City pursuant to Ark. Code Ann. § 26-75-604, and for purposes of collecting the tax levied hereunder pursuant to Ark. Code Ann. §26-75-603, there is hereby created the City of Carlisle Advertising and Promotion Commission,

(A) The Commission shall be composed of seven (7) members as follows:

(1) Four (4) members shall be hotel, motel or restaurant owners or managers who shall be appointed by the City Council by the City for staggered terms of four (4) years; and

(2) Two (2) members of the Commission shall be members of the City Council and selected by the City Council; and

(3) One (1) member shall be from the public at large and shall be nominated by the Mayor of the City and approved by the City Council of the City for a term of four (4) years.

(B) The four (4) hotel, motel or restaurant members at the first meeting of the Commission, shall draw lots for terms so that:

(1) One (1) member shall serve for a term of one (1) year;

(2) One (1) member shall serve for a term of two (2) years;

(3) One (1) member shall serve for a term of three (3) years;

(4) One (1) member shall serve for a term of four (4) years. All successors to these members shall be appointed for terms of four (4) years.

#### **SECTION 5: USE OF TAX.**

Upon approval of the electors of the City pursuant to Ark. Code Ann. § 26-75-604,

(A) All local taxes collected pursuant to this ordinance shall be used or pledged only for the development, construction, reconstruction, repair, maintenance, administration, improvement, equipping, and operation of city parks or other similar public recreation facilities;

(B) The proceeds and revenue from the taxes collected pursuant to this ordinance shall be deposited into a special fund established by the City to be used for the development, construction, reconstruction, repair, maintenance, administration improvement, equipping, and operation of city parks or other similar public recreation facilities;

(C) The proceeds and revenue from the taxes collected pursuant to this ordinance shall be disbursed only by the mayor of the City upon approval by the City Council.

#### **SECTION 6: PENALTIES FOR NON-COMPLIANCE**

In the event that any person, firm, or corporation fails to collect and/or remit the tax referred to in said ordinance, there shall be a penalty of 25% assessed against said individual, firm, or corporation.

**SECTION 7:** Upon approval of the electors of the City pursuant to Ark. Code Ann. § 26-75-604, the City Council shall be entitled to enact or adopt any and all such ordinances as are necessary

to assist the Commission in the collection of the taxes under Ark. Code Ann. § 26-75-603 or to further aid in the administration and collection of the tax levied and the City officials of the City of Carlisle, Arkansas, are directed to take any and all appropriate action necessary and required to complete the provisions of this ordinance in compliance with the provision of the laws of the state of Arkansas.

**SECTION 8:** If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provision of this ordinance are declared to be severable.

**SECTION 9:** All ordinances or parts of ordinances in conflict herewith are hereby repealed.

PASSED this 18 day of June, 2024.

APPROVED:

Ray Glover  
Ray Glover, Mayor

ATTEST:

Sissy Drye  
Sissy Drye, Clerk Treasurer