

ORDINANCE NO. 18-781

**ORDINANCE PROVIDING FOR THE LEVY
OF AN ADDITIONAL SEVEN-EIGHTHS OF ONE PERCENT (0.875%)
LOCAL SALES AND USE TAX WITHIN THE CITY OF GENTRY, ARKANSAS;
And PRESCRIBING OTHER MATTERS PERTAINING THERETO.**

WHEREAS, the City Council of the City of Gentry, Arkansas 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 citywide local sales and use tax in the amount of one-eighth of one percent (0.125%), one-fourth of one percent (0.25%), one-half of one percent (0.5%), three-fourths of one percent (0.75%), one percent (1%), or any combination of these amounts for the benefit of the city (which would not exceed two and five-eighths (2.625%) in the aggregate).

WHEREAS, the City of Gentry has previously from time to time levied a one and one-eighth percent (1.125%) citywide local sales and use tax and desires to increase that levy by an additional seven-eighths of one percent (0.875%).

NOW, therefore, be it ordained by the City Council of the City of Gentry, Arkansas;

- Section 1: Under the authority of the Authorizing Legislation, there is hereby levied an additional seven-eighths of one percent (0.875%) 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.), 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. §26-53-101, et seq.) at the additional rate of seven-eighths of one percent (0.875%) of the sale price of the property or, in the case of leases or rentals, of the lease or rental price (collectively, the "Additional Sales and Use Tax").
- Section 2: The 7/8's of one percent Additional Sales and Use Tax proceeds shall be dedicated to the following uses:
- a. 1/4 of 1% shall be used for Public Safety (Police, Fire and Ambulance services);
 - b. 1/8 of 1% shall be used for Street Improvements; and
 - c. 1/2 of 1% shall be used for City of Gentry General Fund uses.
- Section 3: That all ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.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.

Section 5: Emergency Clause. The City Council expressly finds, as a matter of fact, that there is a great need to establish a stable source of revenue to finance vital municipal services in order to promote the public peace, health, safety and welfare, of the citizens of Gentry, as well as compliance with sales tax election statutes and timing, and for these factual reasons, an emergency exists and this Ordinance should be in full force and effect immediately upon its date of passage.

PASSED AND APPROVED THIS 6 day of August, 2018.

ATTEST:

Kevin D. Johnston, Mayor

Jayne Kooistra, City Clerk