

ORDINANCE NO. 2020 - 34

AN ORDINANCE PROVIDING FOR THE RENEWAL AND THE EXTENSION OF THE LEVY OF A ONE PERCENT (1.00%) SALES AND USE TAX WITHIN THE CITY OF SEARCY; DECLARING AN EMERGENCY; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the City of Searcy, Arkansas, has a need for additional revenue to fund the operations of the City of Searcy, Arkansas, and to provide municipal services to the residents of the City of Searcy, Arkansas; and

WHEREAS, the City Council for the City of Searcy, Arkansas, has determined that, absent the levy of this tax that city services may be required to be curtailed and that the infrastructure of the City of Searcy will continue to deteriorate; and

WHEREAS, Arkansas Code Annotated, Sections 26-75-201, et seq., provides for the levy of a sales and use tax of one-eighth (0.125%), one-quarter (0.25%), one-half (0.50%), three quarters (0.75%) and one percent (1.00%) and any combination thereof; and

WHEREAS, the City of Searcy is presently levying a city-wise sales and use tax at the rate of one-half percent (.50%) under Ark. Code Ann. §§ 26-75-201, et seq.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Searcy, Arkansas, to-wit:

Section 1. Under the authority of Arkansas Code Annotated, §§ 26-75-201 et seq., there is hereby levied a One percent (1.00%) tax, as provided herein, upon the gross receipts from the sale at retail within the City of Searcy, of all items which are subject to the Arkansas Gross Receipts Tax Act of 1941, as amended (Arkansas Code Annotated, §§ 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 Searcy of tangible personal property subject to the Arkansas Compensating Tax Act of 1949, as amended (Arkansas Code Annotated, §§ 26-53-101 et seq.), at a rate of one percent (1.00%) 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 will be levied upon and collected from the gross receipts, gross proceeds or sales price for each such single transaction in the maximum amount allowed, from time to time, under Arkansas law, subject to rebates and limitations as required for certain single transactions as from time to time may be required by the laws of the State of Arkansas.

Section 2. The collections of the Sales and Use Tax received by the City shall be used to fund the needs of the City of Searcy, Arkansas, as may be permitted by Arkansas law.

Section 3. The provisions of this Section shall be, if approved by the vote of the electors within the City of Searcy, codified in Section 17-15-1 of the Searcy Code of Ordinances.

Section 4. All ordinances, resolutions or other actions adopted by the City of Searcy in conflict with the provisions of this Ordinance are repealed.

Section 5. This Ordinance shall be supplementary and in addition to all other levies of any other tax for any purposes; provided, however, that with respect to the subject matter hereof, all ordinances and parts of ordinances in conflict herewith by and they are hereby repealed to the extent of such conflict.

Section 6. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court or competent jurisdiction, such portion shall be deemed a separate distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

Section 7. The City Council finds that in light of the need to provide funds for the operation of municipal services and for capital improvements, an emergency exists and that this Ordinance shall be effective after a majority of the electors of the City of Searcy shall have approved the levy of this Sales and Use Tax at a Special Election called for that purpose and after such post-election publications of notices shall have been completed, all in accordance with the provisions of that Ordinance of the City of Searcy calling the said Special Election, and otherwise in accordance with the applicable provisions of Arkansas law.

PASSED AND ADOPTED this 13th day of October, 2020.

/s/ Kyle Osborne
Mayor of Searcy

ATTEST:

Jerry Morris
City Clerk