

**ORDINANCE NO. 2015-5**  
**AN ORDINANCE TO LEVY A ONE PERCENT (1%) CITY**  
**OF OZARK, ARKANSAS SALES AND USE TAX; TO**  
**ESTABLISH A SYSTEM FOR THE REBATE REQUIRED**  
**BY ACT 29 OF 1981; FOR OTHER PURPOSES; AND**  
**DECLARING AN EMERGENCY**

**WHEREAS**, the City Council of the City of Ozark, Arkansas (the “**City**”) has determined that the City is greatly in need of certain capital improvements of a public nature, including particularly, without limitation, (a) land acquisition, construction of a multiple-use recreational facility and parking, which facility may include indoor swimming, bathhouse, therapy pool, athletic courts, walking track and other amenities, together with street, parking and drainage improvements therefor, extension of utilities, sidewalks, bicycle paths and utility relocations to such facilities, together with parking, furnishings, equipment, drainage, lighting, utility improvements and related traffic signals therefor, and to provide for future renovations and improvements to such facilities (the “**Recreational Improvements**”); and (b) emergency protection facilities and improvements, including particularly, without limitation, land acquisition, construction of an emergency services building, related administrative offices and parking, together with utility relocations to such facility, together with parking, furnishings, equipment, drainage, lighting, utility improvements and related traffic signals therefor, and to provide for future renovations and improvements to such facility, acquisition of emergency vehicles, apparatus and equipment (the “**Emergency Services Facilities**”); and

**WHEREAS**, the City Council proposes to finance all or a portion of the costs of the Recreational Improvements and Emergency Services Facilities (together, the “**Capital Improvements**”) by the issuance of the City’s capital improvement bonds (the “**Bonds**”) under the authority of Amendment No. 62 to the Constitution of the State of 2 Arkansas (“**Amendment 62**”) and each of Title 14, Chapter 164, Subchapter 3 of the Arkansas Code of 1987 Annotated and Title 26, Chapter 75, Subchapter 2 of the Arkansas Code of 1987 Annotated (together, the “**Authorizing Legislation**”); and

**WHEREAS**, in accordance with the Authorizing Legislation, the City Council has also determined that there is a need for general operating fund, including but not limited to, funds for the operation and maintenance of the Capital Improvements and other City facilities (the “**Operation and Maintenance Fund**”); and

**WHEREAS**, the City can pay the principal of and interest on the Bonds and can fund the operation and maintenance costs of the Capital Improvements and other City facilities from the proceeds of a City-wide 1% sales and use tax to be levied under the authority of the Authorizing Legislation; and

**WHEREAS**, the City has determined to levy its one percent (1%) sales and use tax (the “**Sales and Use Tax**”); and

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**WHEREAS**, proceeds of the Sales and Use Tax will be allocated as follows: (a) 7/8% to the payment of principal and interest on the Bonds and (b) 1/8% to the Operation and Maintenance Fund to fund the City’s general operations, including but not limited to, funds for the operation and maintenance of the Capital Improvements and other City facilities, and to pay the principal of and interest on the Bonds.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OZARK, ARKANSAS:**

**Section 1:** There is hereby levied a City-wide (excise) sales tax of one percent (1%) upon the gross receipts from the sale at retail within the City of Ozark, Arkansas on or after January 1, 2016, of all items that are now subject or may hereafter be subject to the Arkansas Gross Receipts Tax, as provided by Arkansas Act 25 of 1981, First Extraordinary Session (the “**Sales Tax**”).

**Section 2:** There is hereby levied a City-wide (excise) use tax upon the storage, use or consumption within the City of Ozark, Arkansas of tangible personal property purchased, leased or rented from any retailer outside the State on or after January 1, 2016, for storage, use or other consumption in the City; at the rate of one percent (1%) of the sales price of the property or, in the case of leases or rentals, of said lease or rental price, as provided by Arkansas Act 25 of 1981, First Extraordinary Session (the “**Use Tax**” and together with the Sales Tax, the “**Sales and Use Tax**”).

**Section 3:** The levy, exemption from and collection of the City-wide Sales and Use Tax imposed by this Ordinance shall be made in accordance with: (a) all applicable definitions and other provisions of the Arkansas Gross Receipts Act of 1941, A.C.A. § 26-52-101 et seq., as amended, and the Arkansas Compensating Tax Act of 1949, A.C.A. § 26-53-101 et seq., as amended; (b) the existing rules and regulations pertaining to the Arkansas Gross Receipts Tax and the Arkansas Compensating Tax as promulgated by the Department of Finance and Administration, Division of Revenues, State of Arkansas; and (c) the provisions of Act 25 of 1981, First Extraordinary Session.

**Section 4:** A person from whom taxes levied by this Ordinance have been collected may be entitled to a rebate for taxes paid on gross receipts, gross proceeds or sales price in excess of two thousand five hundred dollars (\$2,500) from the sale of a: (a) motor vehicle; (b) aircraft, (c) watercraft; (d) modular home; (e) manufactured home, or (f) mobile home in accordance with A.C.A. §26-75-222.

**Section 5:** The Sales and Use Tax shall be allocated as follows: (a) 7/8% to the payment of principal and interest on the Bonds, which portion of the Sales and Use Tax shall expire on the last day of the last month of the calendar quarter in which the Bonds or any bonds issued in refunding thereof shall have been retired, and (b) 1/8% to the Operation and Maintenance Fund and for the purpose of paying principal and interest on the Bonds.

**Section 5:** If any part of this Ordinance is held invalid, such invalidity shall not affect any other portion of this Ordinance that can be made effective without invalidity.

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**Section 6:** It is hereby ascertained and declared that levy of the sales and use taxes provided for in this Ordinance is necessary for the preservation of the public health, peace and welfare of the inhabitants of the City. It is therefore declared that an emergency exists and this Ordinance being necessary for the immediate preservation of the public peace, health and safety, shall take effect and be in force from and after its passage and approval.

PASSED: \_\_\_\_\_, 2015.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

(SEAL)

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**CERTIFICATE**

The undersigned, City Clerk of the City of Ozark, Arkansas, hereby certifies that the foregoing pages are a true and correct copy of **Resolution No.** \_\_\_\_\_, adopted at a regular session of the City Council of the City of Ozark, Arkansas, held at the regular meeting place in

the city at 5:30 p.m. on the \_\_\_\_ day of \_\_\_\_\_, 2015, and that **Resolution No.** \_\_\_\_\_, is  
of record in Ordinance/Resolution Book No. \_\_\_\_\_, now in my possession.  
GIVEN under my hand and seal on this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_

City Clerk  
(SEAL)