

LEVYING A 1% SALES AND USE TAX INCREASE

ORDINANCE NO. 2023-05

AN ORDINANCE PROVIDING FOR THE LEVY OF A 1% PERCENT SALES AND USE TAX WITHIN THE CITY OF MARSHALL, ARKANSAS WITH 0.875% GOING TO THE MARSHALL POLICE DEPARTMENT AND 0.125% GOING TO THE MARSHALL FIRE DEPARTMENT; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the city council of the city of Marshall, 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 1% citywide sales and use tax, with 0.875% going to the Marshall Police Department and 0.125% going to the Marshall Fire Department;

NOW THEREFORE, BE IT ORDAINED by the city council of the city of Marshall , Arkansas: Section 1. Under the authority of the Authorizing Legislation, there is hereby levied a 1% 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 a rate of percent 1 % 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").

Section 2. That all ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 3. That this ordinance shall not take effect until an election⁵ 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.

Passed: 8.25.2023
Attest: M. England
Approved: _____
City Marshall
Mayor Kevin Elliott

(SEAL)

4. The percentages authorized by statute are one-eighth (.125%), one-fourth of one percent (.25%), one-half of one percent (.5%), three-fourths of one percent (.75%) or one percent (1%), or any combination of these amounts (A.C.A. § 26-74-207(a)).

5. The election must be held within one hundred twenty (120) days of the ordinance calling for the election (A.C.A. § 26-74-207(a)).