

**ORDINANCE 775**

AN ORDINANCE PROVIDING FOR THE LEVY OF A ONE PERCENT SALES AND USE TAX WITHIN THE CITY OF BOONEVILLE, ARKANSAS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the City Council of the City of Booneville, Arkansas (the "City") determined that there is a great need for a source of revenue to operate and maintain the existing hospital and construct a new hospital in the City and further for a source of revenue to finance other objectives; and

WHEREAS, Title 26, Chapter 75, Subchapter 3 of the Arkansas Code of 1949 Annotated (the "Authorizing Legislation") provides for the levy of a one percent (1%) city sales and use tax;

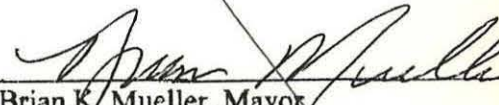
NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Booneville, Arkansas:

**Section 1:** Under the authority of the Authorizing Legislation, there is hereby levied a one percent (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. Section 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 1941, as amended (A.C.A. Section 26-53-101, et seq.), at a rate of one percent (1%) of the sale price of such 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 shall be levied and collected only on the first \$2,500 for each single transaction.

**Section 2:** That all ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.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

PASSED on the 23 day of May, 2002.

  
Brian K. Mueller, Mayor

ATTEST:

  
Melinda Smith, City Clerk

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