

ORDINANCE NO. 20,449

**AN ORDINANCE TO PROVIDE FOR THE LEVY OF A 3/8 % SALES AND COMPENSATING USE TAX WITHIN THE CITY OF LITTLE ROCK, ARKANSAS, TO BE USED FOR CAPITAL IMPROVEMENTS OF A PUBLIC NATURE; TO PRESCRIBE OTHER MATTERS THAT PERTAIN TO SUCH A LEVY; AND FOR OTHER PURPOSES.**

**WHEREAS**, the Board of Directors of the City of Little Rock, Arkansas (the “City”), has determined that there is a great need to accomplish various capital improvements of a public nature; and,

**WHEREAS**, in order to meet this need it is necessary to identify a new source of revenue to finance such improvements; and,

**WHEREAS**, Title 26, Chapter 75, Subchapter 2 of the Arkansas Code of 1987 Annotated (the “Authorizing Legislation”) permits the levy of a 3/8 % citywide sales and compensating use tax to be used to fund capital improvements of a public nature; and,

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:**

**Section 1.** Under the authority of the Authorizing Legislation, there is hereby levied a 3/8 % 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, and also the imposition of an excise – compensating 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, at a rate of 3/8 % 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 purpose of this tax to be for municipal capital improvements of a public nature and it shall expire no later than December 31, 2021.

**Section 2.** The Sales and Use Tax shall be levied and collected on the gross receipts, gross proceeds or sale price for each single transaction in the maximum amount allowed from time to time by Arkansas law, subject to rebates and limitations which are required for certain single transactions as from time to time required by Arkansas law.

**Section 3.** For purposes of this levy, proceeds from the Capital Sales and Compensating Use Tax may be used to acquire, construct, equip, or lease capital improvements of a public nature.

(A) “Capital improvements of a public nature” means:

- (1) Street facilities;

- 1 (2) Roads facilities;
- 2 (3) Public parks and other recreational facilities;
- 3 (4) Port facilities;
- 4 (5) Tourism facilities;
- 5 (6) Fire protection facilities;
- 6 (7) Municipal buildings;
- 7 (8) Courthouses (District court facilities);
- 8 (8) Police facilities;
- 9 (9) Facilities for the securing and developing of industry;
- 10 (10) Drainage facilities;
- 11 (11) Pedestrian facilities;
- 12 (12) Research parks.
- 13 (B) "Facilities" means real property, personal property, or mixed property of any and every  
14 kind, including, without limitation, rights-of-way, utilities, vehicles, materials, equipment,  
15 fixtures, machinery, furniture, furnishings, buildings, and other improvements of every kind;
- 16 (C) "Acquire" means to obtain at any time by gift, purchase, or other arrangement any capital  
17 improvements of a public nature, or any portion thereof, whether theretofore constructed and  
18 equipped, theretofore partially constructed and equipped, or being constructed and equipped  
19 at the time of the acquisition for such consideration and pursuant to such terms and conditions  
20 as the governing body of the municipality shall determine;
- 21 (D) "Construct" means to build, in whole or in part, in such manner and by such method, in-  
22 cluding contracting therefor, and if the latter, by negotiation or bidding upon such terms and  
23 pursuant to such advertising as determined by the governing body of the municipality, under  
24 the circumstances existing at the time, as will most effectively serve the purposes of this sec-  
25 tion;
- 26 (E) "Equip" means to install or place in or on any building or structure equipment of any and  
27 every kind, whether or not affixed, including, without limitations, building service equip-  
28 ment, fixtures, heating equipment, air conditioning equipment, machinery, furniture, furnish-  
29 ings, vehicles, and personal property of every kind;
- 30 (F) "Lease" means a lease of capital improvements of a public nature by and between a city  
31 as lessee and another person as lessor;
- 32 (G) "Calendar quarter" means the three-month period beginning on January 1, April 1, July 1,  
33 or October 1.

1       **Section 4.** No sales or compensating use tax levied pursuant to this ordinance will be collected until  
2 an election is held on the question of the levy, and a majority of the electors voting at this election have  
3 approved the levy of this tax.

4       **Section 5. Severability.** In the event any section, subsection, subdivision, paragraph, subparagraph,  
5 item, sentence, clause, phrase, or word of this ordinance is declared or adjudged to be invalid or unconsti-  
6 tutional, such declaration or adjudication shall not affect the remaining provisions of this ordinance, as if  
7 such invalid or unconstitutional provision were not originally a part of this ordinance.

8       **Section 6. Repealer.** All ordinances, resolutions, bylaws, and other matters inconsistent with this or-  
9 dinance are hereby repealed to the extent of such inconsistency.

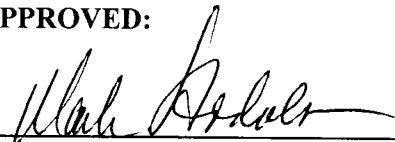
10 **PASSED: July 11, 2011**

11 **ATTEST:**

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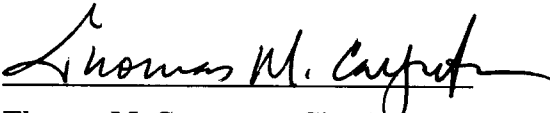
14 Susan Langley, City Clerk

**APPROVED:**

  
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Mark Stodola, Mayor

15 **APPROVED AS TO LEGAL FORM:**

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18 Thomas M. Carpenter, City Attorney

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