

**ORDINANCE NO. 2013-\_\_03\_\_**

**AN ORDINANCE LEVYING A GROSS RECEIPTS TAX AND FOR OTHER PURPOSES**

**WHEREAS**, the City Council has determined that there is a need for programs and projects to advertise and promote the city of Cherokee Village thereby enhancing revenues for our businesses, the City and other benefits; and

**WHEREAS**, Cherokee Village is authorized under ACA § 26-75-602 to levy a gross receipts tax for the development of advertising and promotion of the city.

**NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF CHEROKEE VILLAGE, ARKANSAS**

Section 1: Levy of Tax

A Gross Receipts Tax of 2.0% is hereby levied upon the following:

(a) In accordance with ACA § 26-75-602 the gross receipts or gross proceeds from renting, leasing, or otherwise furnishing hotel, motel, house, cabin, bed and breakfast, campground, condominium, or other similar rental accommodations for sleeping, meeting, or party room facilities for profit but such accommodations shall not include the rental or lease of such accommodations for periods of thirty (30) days or more.

(b) In accordance with ACA § 26-75-602 the portion of the gross receipts or gross proceeds from restaurants, cafes, cafeterias, delicatessens, drive-in restaurants, carry-out restaurants, concession stands, convenience stores, grocery store restaurants, or similar businesses from the sale of prepared food and beverages for on-premises or off-premises consumption, but shall not apply to such gross receipts or gross proceeds of organizations qualified under 26 U.S.C. Section 501(c)(3) of the Federal Internal Revenue Code.

Section 2: Collection of Tax

(a) The Gross Receipts Tax so levied shall be collected from the purchaser or user of the food or accommodations by the person, firm, corporation, association, trust, or estate or other entity of whatever nature, selling such food or furnishing such accommodations (the taxpayer) and the taxpayer shall remit to the City of Cherokee Village the 20th day of each month all collections of the tax for the preceding month, accompanied by reports on forms to be prescribed by the mayor.

Section 3: Penalties and Enforcement

Cherokee Village may assess penalties and interest against taxpayers who fail to timely report or pay the Gross Receipts Tax. The penalty shall be equal to five percent (5%) of the unpaid tax amount per month not to exceed a total assessment of thirty-five percent (35%) of the unpaid tax. Simple interest on unpaid taxes shall be assessed at the rate of ten percent (10%) per annum. In

addition, Cherokee Village may exercise all powers listed under ACA § 26-75-603 and may utilize the provisions of ACA § 26-75-603 in enforcing the tax.

Section 4: Severability

If any provision of this ordinance or the application thereof to any person or circumstance is held to be invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

**PASSED AND APPROVED BY THE CHEROKEE VILLAGE CITY COUNCIL**

DATED 3/29/13

APPROVED: Lloyd W. Hefley  
Lloyd W. Hefley, Mayor

ATTEST: Lana Hamilton  
Lana Hamilton, Clerk/Treasurer