

ORDINANCE NO. 21 OF 2019

AN ORDINANCE LEVYING A TAX UPON THE SALE OF CERTAIN ALCOHOL BEVERAGE SALES IN THE CITY OF CABOT; DECLARING AN EMERGENCY AND FOR OTHER PURPOSES

WHEREAS, the Arkansas Department of Finance and Administration, Alcoholic Beverage Control Board (the “ABC”) has issued permits for certain private clubs in the City of Cabot authorizing the sale of mixed drinks and beer and wine; and

WHEREAS, Arkansas Code Ann. § 3-9-223 provides for a supplemental tax of ten percent (10%) upon gross proceeds or gross receipts derived from private clubs for charges to members for the preparation and serving of mixed drinks or for the cooling and serving of beer and wine, drawn from private stocks of members of the said private clubs;

WHEREAS, Arkansas Code Ann. §3-9-223 (f) provides that the city in which the premises permitted by the ABC may impose an additional permit fee or tax, or both an additional permit fee or supplemental tax, not to exceed one-half (1/2) of the amount of the fee or rate provided to the State of Arkansas.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF CABOT, ARKANSAS THAT:

SECTION 1: A Supplemental Tax Upon the Sale of Certain Beverages; Pursuant to the Ark. Code ANN. § 3-9-223 (f), as may be amended from time to time, there is levied a supplemental tax of five (5) percent upon gross proceeds or gross receipts derived from a private club licensed or permitted by the State of Arkansas from the charges to the members for the preparation and serving of mixed drinks, for the cooling and serving of such beer and wine drawn from the private stocks of such members or otherwise provided for consumptions.

SECTION 2: The city’s supplemental beverage tax is in addition to the state supplemental tax on private clubs and shall be paid to the City Clerk/Treasurer’s Office, shall be due monthly at the same time that the state supplemental tax is due, and shall be accompanied by one copy of the state supplemental tax return. If any permittee shall fail to remit the supplemental tax within the time period that the state tax is due, a penalty of 10% of the tax due shall be due and payable in addition to the tax.

SECTION 3: If any permittee shall fail to remit the supplemental tax within the time period that the state tax is due, the City of Cabot, may revoke or suspend the permittee’s business license until the supplement tax is remitted to the City.

SECTION 4: SEVERABILITY. If, for any reason, any portion or portions of this

ordinance shall be held invalid, such invalidity shall in no way affect the remaining portions thereof which are valid, and that such valid portions shall be and remain in full force and effect.

SECTION 5: REPEAL. Any portion or portions of the amendment to the UDC adopted herein which are contrary to existing Ordinances of the City of Cabot, Arkansas shall prevail, and all Ordinances or parts of Ordinances in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 6: EMERGENCY. The proper and appropriate planning of the City is of great importance to the health and welfare of its citizens; therefore, an emergency is declared and this Ordinance being necessary for the preservation of the public peace, health, safety and welfare shall be in full force and effect from and after its passage.

SPONSOR:

Norma Naquin, Ward 3, Position 1

CO-SPONSOR:

James Reid, Ward 3, Position 2

PASSED: 8-0 w/o EC

DATE: 6/17/2019

APPROVED:

Ken Kincade, Mayor

APPROVED AS TO FORM:

ATTEST:

Jim Taylor, City Attorney

Tammy Yocom, City Clerk~Treasurer