

ORDINANCE NO. 2023-3

**AN ORDINANCE AMENDING CHAPTER 2.56, SECTION 03 OF THE
CITY OF HARDY CODE OF ORDINANCES TO LEVY A GROSS
RECEIPTS TAX ON LODGING AND PREPARED FOOD AND
BEVERAGE; PROVIDING FOR THE EMERGENCY CLAUSE; AND
FOR OTHER PURPOSES.**

WHEREAS, the City Council of the City of Hardy previously enacted Ordinance No. 2001-15 and 2017-4, pursuant to Arkansas Code Annotated §§26-75-601 through 26-75-618 which states that a city of the second class may, by Ordinance of the governing body, thereof, levy a tax, not to exceed 3% upon the gross receipts or gross proceeds from those sources as identified in Arkansas Code Annotated 26-75-601 et. seq.;

WHEREAS, the City of Hardy has many benefits to offer visitors to the City, and is presently not taking full advantage of its resources for the attraction of visitors and residents; and

WHEREAS, the development of such resources would result in many economic and other benefits to the City of Hardy and its inhabitants and visitors; and

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF HARDY, ARKANSAS:**

Section 1: Chapter 2.56, Section 03 of the City of Hardy, Code of Ordinances is amended to read as follows:

2.56.03-1 Levy of Tax for Lodging Pursuant to Arkansas Code Annotated §26-75-601 et seq., a tax is hereby levied upon the following:

- a) There is hereby levied a tax of three percent (3.0%) upon the gross receipts or gross proceeds from the renting, leasing or otherwise furnishing of all hotel, motel, vacation rental houses/rooms, cabins, bed and breakfasts, campgrounds, condominiums, or other similar sleeping accommodations for profit in the City of Hardy; provided, however, that such accommodations shall not include the rental or lease of such accommodations for periods of thirty (30) days or more, and shall not apply to a buyer's occupancy of real estate prior to closing nor to a seller's occupancy of real estate after closing.
- b) The tax levied by this section shall be collected from the purchaser or user of the accommodations by the person furnishing such accommodations. Such person shall remit tax collections to the Advertising & Promotion Commission the first day of the second month after the month the tax is collected, accompanied by reports on forms to be furnished by the

Advertising and Promotion Commission. All establishments remitting this tax shall be entitled to a two percent (2%) discount on the amount due if such tax is paid on or before the 20th day of the month after the tax is collected. The proceeds from the tax levied by this section shall be for the benefit of the Advertising and Promotion Commission. Collection of said tax shall begin May 01, 2023.

2.56.03-2 Levy of Tax for Prepared Food and Beverage Pursuant to Arkansas Code Annotated §26-75-601 et seq., a tax is hereby levied upon the following:

- (a) There is hereby levied a prepared food and beverage tax of three percent (3%) upon the portion of the gross receipts or gross proceeds received by restaurants, cafes, cafeterias, delicatessens, drive-in restaurants, carry-out restaurants, concession stands, convenience stores, grocery-store restaurants, mobile food retail food establishments, bars, private clubs, private chefs, and any platform, online or offline, which advertises and offers to a purchaser prepared food and beverage and accepts payment from the purchaser for such prepared food and beverage, from the sale of prepared food and beverages for on-premises or off-premises consumption, but such tax shall not apply to such gross receipts or gross proceeds of organizations qualified under 26 U.S.C. § 501(c)(3).
- (b) The tax levied by this section shall be collected from the purchaser of the prepared food and beverage by the person furnishing such food and beverage. Such person shall remit tax collections to the Advertising & Promotion Commission the first day of the second month after the month the tax is collected, accompanied by reports on forms to be furnished by the Advertising and Promotion Commission. All establishments remitting this tax shall be entitled to a two percent discount on the amount due if such tax is paid on or before the 20th day of the month after the tax is collected. The proceeds from the tax levied by this section shall be for the benefit of the Advertising and Promotion Commission. Collection of said tax shall begin May 01, 2023.

Section 2: Conflicting Ordinances

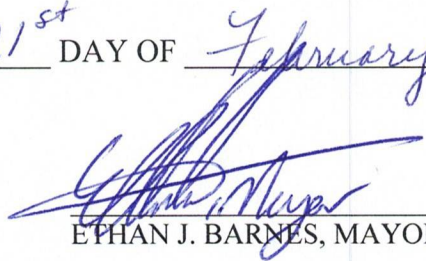
If for any reason, any portion of this Ordinance be held to be invalid, such invalidity shall in no way effect the remaining portion or portions thereof which are valid, but such valid portion or portions shall be and remain in full force and effect. Any Ordinances or part of any Ordinance in conflict herewith are hereby repealed.

Section 3: Emergency Clause

The City Council hereby finds that there is immediate need for efficient collection and management of the tax that is levied in order to provide the inhabitants of the City with funds for

financing City projects and that an emergency exists, and this ordinance, being necessary for the preservation of public peace, health, and safety, shall take effect and be in operation immediately upon its passage and approval.

PASSED AND APPROVED THIS 21st DAY OF February, 2023.


ETHAN J. BARNES, MAYOR

ATTEST:


DARLENE WILSON, RECORDER-TREASURER