

ORDINANCE NO. # 1278

AN ORDINANCE LEVYING A PERMIT FEE AND GROSS RECEIPTS TAX ON PRIVATE CLUBS IN WHICH ALCOHOLIC BEVERAGES MAY BE SERVED WITHIN THE CITY OF RUSSELLVILLE, ARKANSAS, PURSUANT TO THE TERMS AND CONDITIONS OF ACT 132 OF 1969

WHEREAS, Act 132 of 1969, codified in part at Ark. Code Ann. 3-9-223(f), empowers cities and incorporated towns to levy additional permit fees and/or supplemental taxes on private clubs which serve alcoholic beverages; and

WHEREAS, the City desires to levy a permit fee and a supplemental tax in accordance with the terms of said code provisions.

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

SECTION 1. Any private club, as defined by Ark. Code Ann. 3-9-202, in the City of Russellville which applies for and receives a permit from the Alcoholic Beverage Control Board in accordance with Section 10 of Act 132 of 1969 shall pay to the City of Russellville, at the City Treasurer's office, an annual permit fee of \$250.00 on a calendar year basis. An annual renewal fee in the same amount shall be paid to the City Treasurer on or before January 1 of each year. This ordinance shall also apply to all private clubs in existence at the time of the passage of this ordinance.

The fee for permits applied for and received after January 1 of any year shall be prorated on a monthly basis for that particular year.

In addition there is hereby levied a supplemental tax of five per cent (5%) upon the gross proceeds or gross receipts derived by such private club from the charges to members for the serving of mixed drinks or for the cooling and serving of beer and wine for consumption only on the premises where served. Said supplemental tax shall be reported and paid to the City Treasurer in the same manner and at the same time as reported and paid to the Commissioner of Revenues, State of Arkansas. All fees and taxes provided for herein shall be placed in the City's general fund.

SECTION 2: It shall be the duty of the owner (or owners) and/or the manager of said private club to pay this fee on or before February 1 of each calendar year. Those clubs coming into existence within a calendar year shall pay said permit fee within one month of receiving their permit from the Alcoholic Beverage Control Board. Failure to pay said fee to the City of Russellville by the 1st day of February of each calendar year, or within one month of receiving the permit from the Alcoholic Beverage Control Board, shall be considered a misdemeanor offense, and anyone convicted of this offense shall be subject to a fine of between \$25.00 and \$250.00. Each day that the club owner or manager fails to pay said permit fee after the deadline shall be considered a separate offense.

SECTION 3. If any permittee shall fail to remit the supplemental tax on gross receipts within the time provided by said Act 132, a penalty of twenty-five per cent (25%) thereof shall be due and payable. If such taxes, plus penalty, are not paid within thirty (30) days from the due date, the City Council shall direct that the private club's local permit be revoked. Should the local permit be revoked, the City Council shall request that the Director of the Alcohol Beverage Control Division revoke the private club's state permit. Additionally, the city attorney shall seek recovery of all unpaid taxes and penalties due from the private club.


SECTION 4. If any provision of this Ordinance or any word, phrase or paragraph thereof is held invalid, such invalidity shall in no way affect other provisions of this ordinance and to this end the provisions of this ordinance are declared to be severable.

SECTION 5. All ordinances and parts of ordinances in conflict herewith are hereby repealed; provided, however, nothing therein shall be construed as repealing or amending the existing privilege tax ordinances of this City.

SECTION 6. Whereas, various private clubs have been authorized by the State of Arkansas to serve alcoholic beverages for on-premises consumption upon the payment of permit fees and gross receipts taxes as levied by the State of Arkansas and cities affected. And, whereas, certain private clubs in the City of Russellville have been issued permits for such purposes and it is desirable that the City of Russellville's tax and permit fee measure herein contained become effective immediately.


Now, therefore, an emergency is declared to exist and this ordinance being necessary for the preservation of public peace, health and safety shall become effective and be in full force from and after its passage.

PASSED:



VERNON HOWARD
MAYOR

ATTEST:



JOHN KROENCKE
CITY CLERK - *acting*