

**ORDINANCE NO. \_\_\_\_\_**

BE IT ENACTED BY THE QUORUM COURT OF THE COUNTY OF CROSS, STATE OF ARKANSAS, AN ORDINANCE TO BE ENTITLED:

AN ORDINANCE PROVIDING FOR THE LEVY OF A ONE PERCENT SALES AND USE TAX WITHIN CROSS COUNTY, ARKANSAS FOR FORTY-EIGHT (48) MONTHS TO ASSIST IN THE OPERATION AND MAINTENANCE OF HOSPITAL AND RELATED HEALTH CARE AND SUPPORT FACILITIES; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, Cross County, Arkansas (the "County") owns a hospital facility (the "Hospital") known as "CrossRidge Community Hospital"; and

WHEREAS, the Hospital is leased to St. Bernards Community Hospital Corporation d/b/a/ CrossRidge Community Hospital ("CrossRidge"); and

WHEREAS, Title 26, Chapter 74, Subchapter 2 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation") provides for the levy of county-wide sales and use tax or taxes at the rate of 0.125%, 0.25%, 0.5%, 0.75% or 1%, or any combination thereof; and

WHEREAS, the County is currently levying a one percent (1%) sales and use tax (the "Existing Hospital Tax") to assist in operating and maintaining the Hospital and related health care and support facilities (collectively, "Hospital Facilities"); and

WHEREAS, the Existing Hospital Tax will expire on September 30, 2024; and

WHEREAS, CrossRidge will be unable to continue its operation of the Hospital unless the County continues to contribute funds to assist in the operation and maintenance of the Hospital; and

WHEREAS, if the Hospital closes, the residents of the County will not be provided with adequate health care facilities in the County; and

WHEREAS, the County proposes to levy a one percent (1%) sales and use tax for a period of forty-eight (48) months, for the purpose of assisting in the operation and maintenance of Hospital Facilities, which tax will commence when the Existing Hospital Tax expires;

NOW, THEREFORE, BE IT ORDAINED by the Quorum Court of Cross County, Arkansas:

Article 1. Under the authority of the Authorizing Legislation, there is hereby levied a one percent (1%) tax on the gross receipts from the sale at retail within the County of all items which are subject to the Arkansas Gross Receipts Act of 1941, as amended (A.C.A. §§26-52-101, et seq.), and the imposition of an excise (or use) tax on the storage, use, distribution or

other consumption within the County of tangible personable property subject to the Arkansas Compensating Tax Act of 1949, as amended (A.C.A. §§26-53-101, et seq.), at a rate of one percent (1%) 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 Sales and Use Tax will be levied and collected on the gross receipts, gross proceeds or sales price for each single transaction in the maximum amount allowed from time to time by Arkansas law, subject to rebates and limitations as required for certain single transactions as from time to time required by Arkansas statutes.

Article 2. The Sales and Use Tax shall be levied and collected only for a period of forty-eight (48) months. The levy of the Sales and Use Tax shall commence on October 1, 2024 and expire on September 30, 2028.

Article 3. After the administrative charges for services of the State of Arkansas (the "State") in collecting and distributing the collections of the Sales and Use Tax and required rebates are deducted by the State, the remaining collections shall be distributed to the County and not to the municipalities therein and used by the County to assist in operating and maintaining Hospital Facilities. The Cross County Board of Governors shall have the responsibility and oversight for the disbursement of Sales and Use Tax collections by the County.

Article 4. All ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Article 5. This Ordinance shall not take effect until an election is held on the question of levying the Sales and Use Tax at which a majority of the electors voting on the question shall have approved the levy of the Sales and Use Tax.

PASSED: \_\_\_\_\_, 2023.

APPROVED:

ATTEST:

\_\_\_\_\_  
County Clerk

\_\_\_\_\_  
County Judge

(SEAL)

CERTIFICATE

The undersigned, County Clerk of Cross County, Arkansas, hereby certifies that the foregoing pages are a true and perfect copy of Ordinance No. \_\_\_\_\_, passed at a \_\_\_\_\_ session of the Quorum Court, held at the regular meeting place of the Quorum Court at \_\_\_\_\_ o'clock \_\_.m., on the \_\_\_\_day of \_\_\_\_\_, 2023, and that the Ordinance is of record in Ordinance Record Book No. \_\_\_\_\_, Page \_\_\_\_\_, now in my possession.

GIVEN under my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
County Clerk

(SEAL)