



ORDINANCE NO. 127

AN ORDINANCE ESTABLISHING A TAX ON GROSS RECEIPTS OF MOTELS, HOTELS, AND SHORT-TERM RENTALS

WHEREAS, it is the desire of the Town of Avoca, Arkansas to adopt uniform tax regulations for motels, hotels, and short-term rentals within the town.

NOW, THEREFORE, BE IT ORDAINED BY TOWN OF AVOCA, ARKANSAS:

1. **Definitions:** The following words, terms, and phrases, when used in this Ordinance, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

(a) *Motel* is defined as a building or buildings, detached or in connected units or designed as a single structure, the units of which include facilities for sleeping, have their own private toilet facilities, and are designed primarily for the accommodations of transient automobile travelers. Accommodation for trailers is not included.

(b) *Hotel* is defined as any building or portion thereof containing five or more rooms which share a common entry to the building that are rented or hired out to be occupied for sleeping purposes for compensation. A central kitchen and dining room and accessory shops and services catering to the public may be provided. All rooms located within a hotel shall be under common ownership. Hotel rooms cannot be owned individually. Not included are institutions housing persons under legal restraint or requiring medical attention or care

(c) *Short-term rentals* are defined as any unit, or portion thereof, permitted for residential use and rented for occupancy, meeting, dwelling, lodging, or sleeping purposes for a period of not less than one night and not more than thirty (30) days.

2. **Tax Levied:**

(a) A tax of two (2) percent is hereby levied on the portion of the gross receipts or gross proceeds received from the renting, leasing, or otherwise furnishing of hotels, motels, or short-term rental accommodations for profit in the town, but such accommodations shall not include the rental or lease of such accommodations for periods of 30 days or more.

do so pursuant to the following procedures:

- i. A taxpayer may at his option either request the town to consider his request for relief solely upon written documents furnished by the taxpayer or upon the written documents and any evidence produced by the taxpayer at a hearing.
 - ii. A taxpayer who requests the town to render its decision based on written documents is not entitled by law to any other administrative hearing prior to the town's rendering of its decision and, if necessary, the issuing of a final assessment and demand for payment or issuing of a certificate of indebtedness.
- c. *Hearing.* If the taxpayer requests a hearing, the town shall set the time and place for the hearing and shall give the taxpayer reasonable notice thereof.
- d. *Judicial relief.* Within thirty (30) days of the issuance and service on the taxpayer of the notice and demand for payment of a deficiency in tax established by:
- i. A proposed assessment which is not protested by the taxpayer under this article; or
 - ii. A final determination of the town following administrative review; the taxpayer may seek judicial relief from the final determination in accordance with A.C.A. § 26-75-603(d).
- (f) *Authority to enforce payment.* If a taxpayer does not timely and properly pursue his remedies seeking relief from a decision of the town, and a final assessment is made against the taxpayer, or if the taxpayer fails to pay the deficiency assessed upon notice and demand, then the town shall utilize the provisions of A.C.A. § 26-75-603(c) to enforce payment in accordance with said provisions.

User Name: CLAUDIA
CERTIFICATE OF RECORD
STATE OF ARKANSAS, COUNTY OF BENTON
I hereby certify that this instrument was
Filed and Recorded in the Official Records
L20230112 1/12/2023 12:52:21 PM
By: Claudia Deshields, Circuit Clerk
BENTON CO, AR FEE \$25.00

PASSED AND APPROVED this 8 day of November 2022.

Town of Avoca, Arkansas

By: Robert Whitehorn
ROBERT WHITEHORN, Mayor

Nanette Barnes
NANETTE BARNES, Recorder-Treasurer

