



SALES TAX ELECTION

Calhoun County Bonds and 0.375% Sales and Use Tax Election

ELECTION DATE: Tuesday, Nov. 5, 2024

What is being proposed?

Voters in Calhoun County will see a countywide sales tax and bond issue proposal on their Nov. 5, 2024 General Election ballot. The Calhoun County Quorum Court is seeking approval to issue up to \$3,050,000 in bond debt to pay for county park improvements and to temporarily increase the county's sales tax rate by 0.375% to 3% to pay off the debt.

When is the election?

The election is Tuesday, Nov. 5, 2024. Early voting starts Oct. 21, 2024.

Calhoun County voters can check their voter status or find out where they're supposed to vote on Election Day by calling the Calhoun County Clerk's Office at 870-798-2517. You can also check your voter registration status and voting location online at www.voterview.ar-nova.org.

Why is this issue on the ballot?

A county sales tax and bond issue must be approved by voters.

Who can vote on this local ballot issue?

People who live in Calhoun County and are registered to vote can vote on this local ballot issue.

QUICK LOOK:

What does your vote mean?

FOR: A FOR vote means you are in favor of the county government selling up to \$3,050,000 million in bonds to pay for improvements to the rodeo arena and repaying that debt by temporarily increasing the Calhoun County sales tax rate by 0.375%. The new sales tax revenue and existing county sales tax revenue combined would pay off the bond issue debt.

AGAINST: An AGAINST vote means you are not in favor of the county government selling up to \$3,050,000 in bond debt to pay for improvements to the rodeo arena and you are not in favor of increasing the Calhoun County sales tax rate by 0.375% to pay off the bond debt.

Exercising your voting privilege:

We live in a democratic society where voting is a privilege of citizenship. Democracy works best when informed citizens exercise their voting privilege. **Election Day for this issue is Tuesday, Nov. 5, 2024. Please exercise your right to vote on this issue.**

PUBLIC POLICY CENTER

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RESEARCH & EXTENSION
University of Arkansas System

The following statements are examples of what supporters and opponents have made public either in media statements, campaign literature, on websites or interviews with Public Policy Center staff. The University of Arkansas System Division of Agriculture does not endorse or validate these statements.

What do supporters say?

- A covered arena will not only allow a place to have rodeos and other equestrian events, there will be opportunities for other events to come and bring in more tourism. The arena currently is limited to “fair” weather events that can’t happen during inclement weather. Bringing people to our county brings more business to us small business owners.

What do opponents say?

- 70%+ of county-maintained roads are gravel and many times impassible. Therefore, a proper drainage system and potential paving of the heavier traveled gravel road networks would seem to be a better use of tax dollars rather than a covering over the rodeo arena which still caters to a small percentage of the county clientele.

What are the county's plans?

According to the ballot title and ordinance the Quorum Court approved calling for the election, revenues from the bond issue could be used to finance a portion or all of the costs of acquiring, constructing, equipping and furnishing park and recreational facilities and improvements. The county could use bond revenue to pay for improvements at the rodeo arena, which could include furnishings, equipment, parking, restroom, landscaping, signage, drainage, lighting and utility improvements.

County officials want to use money generated from bond issues to make improvements at county parks, specifically at Hogskin Arena, the county's 5,000-seat rodeo arena. Calhoun County Judge Floyd Nutt said he wants to use the funds to cover the arena so the then-enclosed space could be used to host more events. The project is expected to cost \$2.7 million, Nutt said.

Nutt said he also expects bond funds to be used to renovate Woodberry Community Park in Hampton and to install a pickleball court there.

What are bonds?

Bonds are certificates of debt used by states, cities, counties or other government entities to finance large projects, such as roads, schools or sewer systems. Debt is paid off over a long period of time. Similar to a home mortgage, there are debt service costs of bonds which include payment of principal, interest and administrative fees.





How much revenue would the proposed sales taxes generate?

A 0.375% sales tax would generate an estimated \$307,567 a year, according to the Calhoun County Judge.

When would the sales tax begin? Does it expire?

If approved by voters, the new sales tax rate would take effect in March 2025. The sales tax would expire in 2032, according to the county judge.

Who would pay the additional taxes?

The taxes would be paid by everyone purchasing goods or services subject to a sales and use tax in the county, including its cities.

Didn't we just vote on this issue?

County voters in March 2024 approved a permanent sales tax of .125% to maintain county parks but rejected a bond issue and temporary 0.375% sales tax to construct a cover at the arena or pay for other park construction projects.

Voter turnout was 35% in Calhoun County for this election.

Voters approved the .125% sales tax by a vote of 508 to 470, and rejected the bond issue and temporary sales tax by a vote of 466 to 515, according to the Secretary of State's online election records.

What is the county's current sales tax rate?

Over time, voters in Calhoun County have approved various permanent sales taxes that currently total 2.625% and are dedicated for specific purposes.

Of this amount:

- 1% pays for solid waste service in the county
- 1% goes into the county government's general fund that pays for county expenses
- 0.5% pays for operating the county jail
- 0.125% pays for maintenance at county parks and can be used to pay off bond debt

How does Calhoun County's sales tax compare to neighboring counties?

If voters approve the ballot measure, Calhoun County's county-wide sales tax rate would increase from 2.625% to 3% in March 2025.

Other counties in Arkansas have county-wide sales tax rates ranging from 0% in Monroe County to 3.25% in Cleveland County. The median sales tax rate of Arkansas' 75 counties is 1.6%.

Nearby counties have the following sales tax rates:

County	Current County Sales Tax Rate
Bradley	2%
Calhoun	2.625% (3%)*
Cleveland	3.25%
Dallas	2%
Ouachita	2%
Union	2%

*Rate if proposed sales tax is approved.
Sources: Arkansas Department of Finance and Administration, List of cities and counties with local sales and use tax; July-September 2024

What would happen voters reject the proposal?

The county's sales tax rate would remain the same. The county could not issue any bonds to pay for rodeo arena improvements.

The following is the official wording for the local option question as it will appear on the ballot.

BONDS AND 0.375% SALES AND USE TAX

Bonds of Calhoun County in one or more series in the maximum aggregate principal amount of \$3,050,000 to finance all or a portion of the costs of acquiring, constructing, equipping and furnishing park and recreational facilities and improvements, including particularly, without limitation, improvements to the rodeo arena and any furnishings and equipment and parking, restroom, landscaping, signage, drainage, lighting and utility improvements related thereto, and, in order to pay the bonds, the levy and pledge of a 0.375% local sales and use tax within the County.

If the bonds are approved, there will be levied within the County a new 0.375% sales and use tax, the net collections of which remaining after deduction of the administrative charges of the State of Arkansas and required rebates will be used solely to retire or pay obligations with respect to the bonds in accordance with Amendment No. 62 to the Arkansas Constitution. The tax will expire after the bonds have been paid or provision is made therefor in accordance with Arkansas statutes. In order to provide additional funds to pay or to further secure repayment of the bonds, the County may also pledge to the bonds the net collections of a county-wide 0.125% sales and use tax levied by Ordinance No. 2023-37, adopted November 27, 2023.

FOR ☐

AGAINST ☐

Conflict of interest: *This fact sheet was prepared to provide the citizens of Calhoun County with information to help them in making an informed choice on Election Day. An effort has been made to ensure the information is presented in a fair and balanced way that best represents the facts associated with this ballot issue. As part of this effort, we are obligated to divulge potential conflicts of interest and to recognize their influence on the educational programs and matter we produce. The University of Arkansas System Division of Agriculture and Calhoun County Cooperative Extension Service are partially funded by state and county general funds. As such, any laws affecting revenues of the state or county has the potential to affect the Calhoun County Extension Office. Hot Spring County Extension Office.*

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