

Bentonville Advertising & Promotion Commission
104 E. Central Avenue · Bentonville, Arkansas
(479) 271-9153 · (800) 410-2535 · www.visitbentonville.com

WHAT IS THE ‘A&P TAX’?

The Advertising & Promotion tax (referred to as the ‘hospitality’ tax), was established by Bentonville City Ordinance October 10, 1995 and levied a –

2 percent (2%) tax on the portion of the gross receipts or gross proceeds received from the renting, leasing or otherwise furnishing of hotel, motel, or short-term condominium rental accommodations for sleeping, meeting, or party room facilities for profit in the City of Bentonville, Arkansas, but such accommodations shall not include the rental or lease of such accommodations for periods of thirty (30) days or more.

1 percent (1%) tax on prepared food and non-alcoholic beverages sold by restaurants, cafes, cafeterias, delis, drive-in restaurants, carry-out restaurants, concession stands, convenience stores, grocery store delis, and all other establishments in Bentonville engaged in the selling of prepared food and non-alcoholic beverages for on or off premises consumption. This tax does not apply to items sold by fraternal organizations qualified under Section 501 C, 3, Internal Revenue Code.

Prepared food is any food item that is cooked on the premises by the establishment for sale to a customer or altered by quantity or content:

- a fountain drink would be subject to the tax, whereby a can of soft drink would not;
- meat or cheese sliced by the establishment for customer sale would be taxed, whereas, prepackaged meat or cheese sold to customer as purchased by the establishment from a vendor would not be taxed;
- a pre-packaged bag of nacho chips/potato chips would not be taxed, however, an on-premises prepared serving of nachos (cheese and nacho chips) would be, etc.

Payment of the tax is made directly to the Bentonville Convention and Visitors Bureau which is governed by the Bentonville Advertising and Promotion Commission. Expenditures of the funds collected must be approved by the Commissioners. Although this is a city tax, state laws govern the makeup of A&P Commissions and set forth guidelines for expenditure of the funds collected.

WHO ARE THE COMMISSIONERS?

The Commission consists of seven commissioners: two City Council representatives, four from the restaurant, hotel and tourism industry, and one at large position. The initial terms of the Commissioners were staggered 1, 2, 3 and 4 year terms, with re-appointment terms of four years. All commissioners must live within the Bentonville city limits.

WHEN AND WHERE ARE THE MEETINGS?

The regular meetings are held the fourth Thursday of each month at 4:00 p.m. at the Advertising and Promotion Commission Conference Room, 104 East Central Avenue. These meetings are open to the public and we encourage you to attend.