



May 18, 2024

Litigation Tax

Dear Reader:

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We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

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Litigation Tax

Private Acts of 1983 Chapter 319

SECTION 1. There is hereby imposed a special privilege tax in the amount of five dollars and twenty-five (\$5.25) on every civil case and fifteen dollars (\$15.00) on every criminal case instituted in any court in Grainger County, except original proceedings in Juvenile Court and cases instituted in any City Court.

SECTION 2. The clerks of the various courts who are required to collect the state litigation tax shall also collect the tax imposed by this act in the same manner as the state litigation tax imposed by Tennessee Code Annotated, Section 67-4102, Item J, is collected and shall be liable for the collection of the tax imposed by this Act.

SECTION 3. The privilege taxes collected pursuant to this Act shall be paid over monthly to the county Trustee and shall be distributed in the following manner:

(A) One dollar (\$1.00) of the tax collected on each case shall be deposited in a special fund known as the "Courthouse Remodeling, Refurbishing, and Maintenance Fund" for the purpose of providing for remodeling, refurbishing and maintaining the Courthouse and grounds. Monies from this fund shall be used only for the purposes described above unless otherwise approved by majority vote of the county commission.

(B) One dollar (\$1.00) of the tax collected on each case shall be deposited into the County Governmental Library Fund and used only for the purpose set out in Chapter 375 of the Private Acts of 1974.

(C) The remainder of the tax collected under the provisions of this Act shall be deposited, by the trustee, in the county general fund to be used for any county purpose authorized by the county commission.

COMPILER'S NOTE: Section 4 amended Private Acts of 1974, Chapter 375 which is printed herein.

SECTION 5. Chapter 202 of the Private Acts of 1982 is hereby repealed in its entirety.

SECTION 6. This Act shall have no effect unless it shall be approved by two-thirds (2/3) majority of the Board of County Commissioners of Grainger County. Its approval or nonapproval by that body shall be certified by the presiding officer to the Secretary of State.

SECTION 7. For the purpose of approving or rejecting the provisions of this Act, it shall become effective upon becoming a law, the public welfare requiring it. For all other purposes, it shall become effective on the first day of the month after its approval as provided in Section 6.

Passed: March 3, 1983.

Private Acts of 1976 Chapter 296

SECTION 1. There is imposed upon each case of any description filed in any of the following courts sitting in Grainger County a tax of one dollar (\$1.00), to be assessed and collected as a part of the costs of the case; circuit court, chancery court, county court, general sessions court, and any municipal court in Grainger County.

SECTION 2. There is imposed a special privilege tax of one dollar (\$1.00) upon and with respect to each and every instrument offered for recordation in the office of the county register of Grainger County, the payment of which shall be a condition precedent to the recordation of the instrument.

SECTION 3. The litigation taxes provided for herein shall be collected by the clerks of the respective courts in which cases are filed, and the registration tax herein provided for shall be collected by the county register. Each of the officials shall be accountable for and shall pay over such revenue to the county trustee quarterly, not later than the tenth (10th) day of the month following the quarter in which collections are made.

SECTION 4. It is hereby expressly provided that the term "case" shall include ex parte as well as adversary or contested proceedings.

SECTION 5. The trustee shall deposit the taxes herein collected in a special fund hereby created, to be known as the "Courthouse Remodeling, Refurbishing, and Maintenance Fund", for the purpose of providing for the remodeling, refurbishing, and maintenance of the Grainger County courthouse and the grounds thereof. Decisions on remodeling, refurbishing, and maintenance, and the dispersal of monies from the fund shall be made by a committee composed of the County Judge, as Chairman, and two (2) members of

the quarterly county court, to be selected by the County Judge and approved by the court. Monies from the fund shall be used only for courthouse remodeling, refurbishing, or maintenance, unless otherwise approved by the committee.

SECTION 6. The taxes imposed herein shall be permanent and shall provide a permanent fund for maintenance remodeling, and refurbishing of the Grainger County courthouse, and may be used for any alteration, addition, or other project involving the courthouse which is approved by the quarterly county court.

SECTION 7. This act is hereby declared to be severable, and if any portion thereof be held to be unconstitutional, such unconstitutionality shall not affect the validity of the remaining portions, it being the intent that the latter would have been enacted in the absence of the invalid portions.

SECTION 8. This act shall have no effect unless it is approved by a two-thirds ($\frac{2}{3}$) vote of the Quarterly County Court of Grainger County. Its approval or non-approval shall be proclaimed by the presiding officer of the court and certified by him to the Secretary of State.

SECTION 9. For the purpose of approving or rejecting the provisions of this act, it shall be effective upon becoming a law, the public welfare requiring it. For all other purposes, it shall become effective upon being approved as provided in Section 8.

Passed: March 11, 1976.

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