Historic Properties

Dear Reader:

The following document was created from the CTAS website (ctas.tennessee.edu). This website is maintained by CTAS staff and seeks to represent the most current information regarding issues relative to Tennessee county government.

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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Reference Number: CTAS-1547

The value of any improvement made to or restoration of any structure included within the provisions of T.C.A. § 4-11-201 et seq., or which is certified by a historic properties review board, as provided for in T.C.A. § 67-5-218(a)(2), is exempt from property taxation when the improvement or restoration is necessitated by (1) any comprehensive plan for the development of a district or zone authorized in T.C.A. § 13-7-401; (2) the official preservation plan of the state of Tennessee as required by the provisions of United States Public Law 89-665; (3) any other federal or state plan of development or redevelopment which includes the preservation and restoration of structures covered by T.C.A. § 67-5-218; or (4) the agreement of the owner of an individual structure to restore the structure in accordance with guidelines specified by a historic properties review board, as provided for in T.C.A. § 67-5-218, and to refrain from significantly altering or demolishing the structure during the period of exemption.¹

The provisions of T.C.A. § 67-5-218 only apply to counties having a population of 200,000 or more according to the 1970 federal census, or any subsequent federal census; and, which, by a majority vote of the governing body of the county, choose to come under its provisions.² The chief administrative officer of each county appoints a historic properties review board for that jurisdiction, to be approved by a majority vote of the county governing body. The review board consists of at least five members. One member of the review board must be an architect, if resident in the county, who is a member of the American Institute of Architects or meets the membership qualifications of that body. One member of the review board must be a member of the local planning commission. And, one member must be the county historian, a member of the county historical commission, or a member of the county historical society. The review board is required to formulate criteria for certification of historic properties with the assistance of the Tennessee Historical Commission, subject to review and comment by the state preservation officer.³

All structures (except those on the Tennessee or National Register of Historic Properties) whose owners seek to benefit from the provisions of T.C.A. § 67-5-218, must be certified in accordance with the criteria established by the local historic properties review board. The exemption of any structure certified in accordance with T.C.A. § 67-5-218, wherever located, will also include any structure or residence used in the management or care of the historical structure. Any structure 175 years of age or older is presumed to meet the criteria on the basis of age alone, any structure 125 years of age or older is presumed to meet the criteria unless established otherwise, and any structure 75 years of age or older is assumed to meet the criteria subject to individual review.⁴ Exemptions continue in effect for 10 years in the case of a partial or exterior restoration or improvement, as determined by the review board, and 15 years in the case of a total restoration, as determined by the review board. At the end of the applicable period, the structure is assessed and taxed on the basis of its full market value. If any structure receiving an exemption under T.C.A. § 67-5-218 is demolished or significantly altered, as determined by the review board, during the period of exemption, the exemption of the improved value will immediately end and the owner will be liable at that time for any difference between the tax paid and the tax which would have been due on the improved value. The exemptions and restrictions provided for in T.C.A. § 67-5-218 apply to the structure itself and pass with its title.⁵

¹T.C.A. § 67-5-218(a)(1).
²T.C.A. § 67-5-218(b) and (c)(1).
³T.C.A. § 67-5-218(a)(2).
⁴T.C.A. § 67-5-218(a)(3).
⁵T.C.A. § 67-5-218(a)(4).

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