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Chapter XI - Taxation

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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| | |
|---|------------|
| Chapter XI - Taxation | . 3 |
| Assessor of Property | . 3 |
| Clerk | . 3 |
| Private Acts of 1961 Chapter 268 | . 3 |
| Hotel/Motel Tax | . 3 |
| Private Acts of 1989 Chapter 100 | . 3 |
| Motor Vehicle Tax | . 6 |
| Private Acts of 1984 Chapter 198 | . 6 |
| Private Acts of 2004 Chapter 75 | . 7 |
| Pulpwood Severance Tax | . 7 |
| Private Acts of 1989 Chapter 61 | . 7 |
| Taxation - Historical Notes | . 9 |

Chapter XI - Taxation

Assessor of Property

Clerk

Private Acts of 1961 Chapter 268

SECTION 1. That in all counties of this State having a population of not less than 11,905 nor more than 11,915 according to the Federal Census of 1960, or any subsequent Federal Census, the County Tax Assessor is hereby authorized to employ a clerk to assist him in the performance of his duties and such clerk shall be paid not less than ONE HUNDRED (\$100.00) DOLLARS per month, such payment to be made by the County Trustee upon a warrant issued by the County Judge, such payment to be provided for by the Quarterly Court of any county to which this Act shall apply.

SECTION 2. That such clerk as provided for above shall assist the Tax Assessor in the preparation of his assessment books and perform such other duties as may be assigned by the County Tax Assessor. Such clerk shall also perform any and all other duties as shall be designated by the Tax Assessor and may keep the office of the Tax Assessor open during business hours while the Tax Assessor is out of the office viewing lots and tracts of land for assessment purposes as provided by law.

SECTION 3. That no payment for such clerk or clerical help as hereinbefore provided shall be made by the County Judge of any county to which this Act may apply prior to July 1, 1961.

SECTION 4. That this Act shall have no effect unless the same shall have been approved by a two-thirds vote of the Quarterly County Court of any county to which it may apply, such vote to be at the next regular meeting of such Quarterly County Court occurring not more than six (6) months after the approval of this Act by the Governor. Its approval or non-approval by the Quarterly County Court shall be proclaimed by the presiding officer of the same, and such approval shall be certified by him to the Secretary of State.

SECTION 5. That this Act shall take effect from and after its passage, the public welfare requiring it.
Passed: March 14, 1961.

Hotel/Motel Tax

Private Acts of 1989 Chapter 100

AN ACT relative to the levy of a privilege tax on the occupancy of any rooms, lodgings or accommodations furnished to transients by any hotel, inn, tourist camp, tourist court, tourist cabin, motel or any place in which rooms, lodgings or accommodations are furnished for transients for a consideration in Wayne County.

BE IT ENACTED BY THE GENERAL ASSEMBLY Of THE STATE Of TENNESSEE:

SECTION I. As used in this act unless the context otherwise requires:

1) "Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.

2) "Hotel" means any structure or space, or any portion thereof, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist camp, tourist court, tourist cabin, motel or any place in which rooms, lodgings or accommodations are furnished to transients for a consideration.

- 3) "Occupancy" means the use or possession, or the right to the use or possession, of any room, lodgings or accommodations in any hotel.
- 4) "Transient" means any person who exercises occupancy or is entitled to occupancy for any rooms, lodgings or accommodations in a hotel for a period of less than thirty (30) continuous days.
- 5) "Consideration" means the consideration charged, whether or not received, for the occupancy in a hotel valued in money whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits, property and services of any kind or nature without any deduction therefrom whatsoever. Nothing in this definition shall be construed to imply that consideration is charged when the space provided to the person is complimentary from the operator and no consideration is charged to or received from any person.
- 6) "County" means Wayne County, Tennessee.
- 7) "Operator" means the person operating the hotel, whether as owner, lessee or otherwise.
- 8) "Clerk" means the county clerk of Wayne County, Tennessee, or such other person appointed by the county legislative body of Wayne County by resolution to act as collector of the tax imposed by this act.

SECTION 2. The legislative body of Wayne County is authorized to levy a privilege tax upon the privilege of occupancy in any hotel of each transient, by resolution of the county legislative body, in an amount up to five percent (5 %) of the consideration charged by the operator. Such tax is a privilege tax upon the transient occupying such room and is to be collected as provided in this act.

SECTION 3. The proceeds of the tax authorized by this act shall be allocated to and placed in the county general fund, to be designated and used for such purposes as specified by resolution of the county legislative body.

SECTION 4. Such tax shall be added by each and every operator to each invoice prepared by the operator for the occupancy of his or her hotel and to be given directly or transmitted to the transient and shall be collected by such operator from the transient and remitted to the clerk as provided in Section 5 (b).

When a person has maintained occupancy for thirty (30) continuous days, that person shall receive from the operator a refund or credit for the tax previously collected or charged, and the operator shall receive credit for the amount of such tax if previously paid or reported to the county.

SECTION 5. (a) The tax levied shall be remitted by all operators who lease, rent or charge for any rooms or spaces in hotels within the county to the clerk or such other officer as may by resolution be charged with the duty of collection thereof, such tax to be remitted to such officer not later than the twentieth (20th) day of each month for the preceding month. The operator is hereby required to collect the tax from the transient at the time of the presentation of the invoice for such occupancy as may be the custom of the operator, and if

credit is granted by the operator to the transient, then the obligation to the county entitled to such tax shall be that of the operator.

(b) For the purpose of compensating the operator in accounting for remitting the tax levied by this act, the operator shall be allowed two percent (2 %) of the amount of the tax due and accounted for and remitted in the form of a deduction in submitting his or her report and paying the amount due by such operator, provided the amount due was not delinquent at the time of payment.

SECTION 6. The clerk shall be responsible for the collection of such tax and shall place the proceeds of such tax in accounts for the purposes stated herein. A monthly tax return shall be filed under oath with the clerk by the operator with such number of copies thereof as the clerk may reasonably require for the collection of such tax. The report of the operator shall include such facts and information as may be deemed reasonable for the verification of the tax due. The form of such report shall be developed by the clerk and approved by the county legislative body prior to use. The clerk shall audit each operator in the county at least once a year and shall report on the audits made on a quarterly basis to the county legislative body.

The county legislative body is hereby authorized to adopt resolutions to provide reasonable rules and regulations for the implementation of the provisions of this act, including the form for such reports.

SECTION 7. No operator of a hotel shall advertise or state in any manner, whether directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the operator or that it will not be added to the rent, or that if added, any part will be refunded.

SECTION 8. Taxes collected by an operator which are not remitted to the clerk on or before the due dates are delinquent. An operator shall be liable for interest on such delinquent taxes from the due date at the rate of twelve percent (12 %) per annum, and shall be liable for an additional penalty of one percent (1 %) for each month or fraction thereof such taxes are delinquent. Such interest and penalty shall become a part of the tax herein required to be remitted. Each occurrence of willful refusal of an operator to collect or remit the tax or willful refusal of a transient to pay the tax imposed is hereby declared to be unlawful and shall be punishable by a civil penalty not in excess of fifty dollars (\$50,00).

SECTION 9. It shall be the duty of every operator liable for the collection and payment to the county of any tax imposed by this act to keep and preserve for a period of three (3) years all records as may be necessary to determine the amount of such tax as he or she may have been liable for the collection of and payment to the county, which records the clerk shall have the right to inspect at all reasonable times.

SECTION 10. The clerk in administering and enforcing the provisions of this act shall have as additional powers, those powers and duties with respect to collecting taxes as provided in Title 67 of Tennessee Code Annotated or otherwise provided by law for the county clerks.

For his or her services in administering and enforcing the provisions of this act, the clerk shall be entitled to retain as a commission five percent (5 %) of the taxes collected.

Upon any claim of illegal assessment and collection, the taxpayer shall have the remedies provided in Tennessee Code Annotated, Title 67, it being the intent of this act that the provisions of law which apply to the recovery of state taxes illegally assessed and collected shall also apply to the tax levied under the authority of this act. The provisions of Tennessee Code Annotated, Section 67-1-707, shall be applicable to adjustments and refunds of such tax.

With respect to the adjustment and settlement with taxpayers, all errors of county taxes collected by the clerk under authority of this act shall be refunded by the clerk.

SECTION 11. The tax levied pursuant to the provisions of this act shall only apply in accordance with the provisions of Tennessee Code Annotated, Section 67-4-1425.

SECTION 12. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 13. This act shall have no effect unless it is approved by a two thirds (2/3) vote of the county legislative body of Wayne County. Its approval or nonapproval shall be proclaimed by the presiding officer of the county legislative body and shall be certified by the presiding officer of the county legislative body to the secretary of state.

SECTION 14. 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, this act shall take effect upon being approved as provided in Section 13.

Passed: May 23, 1989.

Motor Vehicle Tax

Private Acts of 1984 Chapter 198

SECTION 1. Any resident of Wayne County who operates a vehicle subject to the motor vehicle privilege tax of Wayne County, or other individual who operates a vehicle subject to such tax, who fails to pay such motor vehicle privilege tax within the time allowed, shall be subject to a civil penalty of a fifty dollars (\$50.00) fine for each violation.

SECTION 2. The General Sessions Court of Wayne County shall have jurisdiction of violations of this chapter.

SECTION 3. This Act may be enforced by all state and local law enforcement agencies.

SECTION 4. This Act shall have no effect unless it is approved by a two-thirds (2/3) vote of the county legislative body of Wayne County. Its approval or nonapproval shall be proclaimed by the presiding officer of the county legislative body and certified by him to the Secretary of State.

SECTION 5. 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 4.
Passed: April 19, 1984.

Private Acts of 2004 Chapter 75

SECTION 1. For the privilege of using the public roads and highways in Wayne County, Tennessee, there is levied upon motor-driven vehicles, and upon the privilege of the operation thereof, except motor-driven bicycles and scooters, farm tractors, self-propelled farm machines not usually used for operation upon public highways or roads, and motor-driven vehicles owned by any governmental agency or governmental instrumentality, and except for other exemptions provided by general law, a special privilege tax for the benefit of such county, which tax shall be in the amount of thirty (\$30.00) dollars for each such motor-driven vehicle, the owner of which resides within Wayne County. This tax is in addition to any other such privilege tax. This tax applies to, is a levy upon, and shall be paid on each motor-driven vehicles, the owner of which resides within Wayne County.

SECTION 2. The tax herein levied shall be paid to and collected by the county clerk of Wayne County, who is authorized by Tennessee Code Annotated § 67-4-103 to collect such privilege taxes. The county clerk shall collect this tax at the same time the clerk collects state privilege tax levied upon the operation of a motor-driven vehicle over the public highways of this state. The county clerk may deduct a fee of five percent (5%), or such higher or lower fee as may from time to time be authorized under Tennessee Code Annotated § 8-21-701(55) for receiving and paying over county revenue, from the amounts of taxes collected and paid over to the county trustee.

SECTION 3. Payment of the privilege tax imposed hereunder shall be evidenced by a receipt, issued in duplicate by the county clerk, the original of which shall be kept by the owner of the motor-driven vehicle and, if required by the county legislative body by resolution pursuant to Tennessee Code Annotated § 55-4-103, by a decal or emblem also issued by the county clerk, which shall be displayed in the manner required by resolution of the county legislative body. The design of the decal or emblem shall be determined by the county clerk. The expense incident to the purchase of such decals herein required, as well as the expense of obtaining proper receipts and other records necessary for the performance of the duties herein incumbent upon the county clerk, shall be paid from the general fund of the county.

SECTION 4. The privilege tax or wheel tax herein levied, when paid, together with full, complete and explicit performance of and compliance with all provisions of this act by the owner, shall entitle the owner of the motor-driven vehicle for which the tax was paid and on which any required decal or emblem has been affixed, as herein provided, to operate or allow to be operated his vehicle over the streets, roads, and highways of the county for a period of one (1) year which shall run concurrently with the period established by Tennessee Code Annotated § 55-4-104 for state registration fees.

SECTION 5. Any person violating the provisions of this act, or any part thereof, shall be subject to a civil penalty of a fifty dollar (\$50.00) fine for each violation of this act.

SECTION 6. Chapter 198 of the Private Acts of 1984 is repealed.

SECTION 7. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 8. This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the legislative body of Wayne County. Its approval or nonapproval shall be proclaimed by the presiding officer of the county legislative body and certified 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 as provided in Section 7.

Passed: February 12, 2004.

Pulpwood Severance Tax

Private Acts of 1989 Chapter 61

SECTION 1. As used in the act, unless the context otherwise requires:

- (1) "County" means Wayne County.
- (2) "Person" means an individual, corporation, partnership, limited partnership, conglomerate, or any other entity owning or possessing an interest in lands located in the county.

(3) "Pulpwood" means trees severed from the ground, both hardwood and softwood, whether whole or part, that is ground or chipped and manufactured into salable wood or paper products.

SECTION 2.

(a) There is hereby levied a severance tax on all pulpwood products severed from the ground in the county. The tax is levied upon the entire production in the county regardless of the place of sale or the fact that delivery may be made outside the county.

(b) The tax shall accrue at the time such products are severed from the earth and in their natural or unprocessed state.

(c) The tax levied shall be a lien upon all such products severed in the county and upon all property from which it is severed, and such lien shall be entitled to preference over all judgments, encumbrances or liens whatsoever created.

SECTION 3. The measure of the tax shall be fifteen cents (15¢) per ton on all pulpwood products severed from the ground in the county.

SECTION 4. Every interested owner shall be liable for this tax to the extent of his interest in such products. The owner shall become liable at the time the pulpwood products are severed from the earth and ready for sale, whether before processing or after processing as the case may be.

SECTION 5.

(a) The tax levied by this act shall be due and payable monthly on the tenth day of the month next succeeding the month in which the pulpwood is severed from the soil.

(b) For the purpose of ascertaining the amount of tax payable, it shall be the duty of all owners to transmit to the county trustee, on or before the fifteenth day of the month next succeeding the month in which the tax accrues, a return upon forms provided by the county trustee. The return shall be accompanied by a remittance covering the amount of tax due as computed by the taxpayer.

SECTION 6.

(a) The tax levied by this act shall become delinquent on the sixteenth day of the month next succeeding the month in which such tax accrues.

(b) When any owner shall fail to make any return and pay the full amount of the tax levied on or before such date, there shall be imposed, in addition to other penalties provided herein, a specific penalty in the amount of ten percent (10%) of the tax due. A further penalty of fifty percent (50%) of the amount due may be added if the nonpayment of the tax is due to an intent to evade payment.

(c) All such penalties and interest imposed by this act shall be payable to and collectible by the county trustee in the same manner as if they were a part of the tax imposed.

SECTION 7. If the nonpayment of the tax is due to an intent to evade payment, the person liable for such payment may be restrained and enjoined from severing pulpwood from all production units administered, owned or possessed by that person in the county from which such products may be severed and sold and upon which the tax is due. Restraint proceedings shall be instituted in the name of the county by the sheriff upon the request of the county trustee.

SECTION 8. The proceeds of the tax levied by this act shall be deposited in the general fund of the county, with the school system having first priority, all or part may be designated by the county commission.

SECTION 9.

(a) It shall be a violation of this act for any person required by this act to make a return, pay a tax, keep records, or furnish information deemed necessary by the county trustee for the computation, assessment, or collection of the tax imposed by this act, to fail to make the return, pay the tax, keep the records, or furnish the information at the time required by law or regulation. It shall be a violation for any person to willfully or fraudulently make and sign a return which he does not believe to be true and correct as to every material fact.

(b) Violations of the provisions of this act shall be punishable by a fine of not more than one thousand dollars (\$1,000).

(c) For purposes of this section the word "person" also includes an officer or employee of a corporation or a member or employee of a partnership who is under duty to perform the act in respect to which the violation occurs.

SECTION 10. This act shall have no effect unless it is approved by two-thirds (2/3) vote of the County Legislative Body of Wayne County. Its approval or non-approval shall be proclaimed by the presiding

officer of the County Legislative Body and certified by him to the Secretary of State.

SECTION 11. For the purposes of approving or rejecting the provisions of this act, as provided in Section 10, it shall be effective on becoming a law, the public welfare requiring it. For all other purposes it shall become effective July 1, 1990.

Passed: April 13, 1989.

Taxation - Historical Notes

Assessor of Property

The following acts were superseded, repealed or failed to win local ratification, but they are listed here as a reference to laws which once affected the assessor in Wayne County.

1. Private Acts of 1911, Chapter 411, set the salaries of the Tax Assessors for several counties by amending Acts of 1907, Chapter 602, which had established guidelines for the assessor's salary. Wayne County was among those counties fixing the annual salary of the Tax Assessor of that County at \$600 per year.
2. Private Acts of 1921, Chapter 924, stated that the Tax Assessor of Wayne County should be paid an annual salary of \$900 on warrant drawn on the county treasury as now provided by law and that amount is hereby appropriated for that purpose.
3. Private Acts of 1937, Chapter 742, amended Private Acts of 1921, Chapter 924, by increasing the amount of the annual salary of the Tax Assessor provided for therein from \$900 to \$1,200 to be paid out of the county treasury.
4. Private Acts of 1945, Chapter 243, declared that in Wayne County the Tax Assessor shall be paid an annual salary of \$1,800 in equal monthly installments out of the general funds of the County on the warrant of the County Judge or Chairman.

Taxation

The following is a listing of acts pertaining to taxation in Wayne County which are no longer effective. Also referenced below is an act which repeals prior law without providing new substantive provisions.

1. Acts of 1869-70, Chapter 30, which re-established Lewis County, directed the tax collectors of Wayne, Maury, Hickman and Lawrence Counties to pay over to the Trustee of Lewis County all taxes collected within Lewis County.
2. Private Acts of 1975, Chapter 2, applied to counties with a population of not less than 12,050 and no more than 13,000, which would include Wayne County. The Act specifically mentions Hickman County. This Act levied a privilege tax of \$15 on all motor driven vehicles, except farm tractors and farm machines not usually driven on roads, scooters and government owned vehicles. The tax was \$7.50 on motorcycles. The tax was to be paid to the County Court Clerk at the same time the State auto licenses were sold and a decal would be issued representing payment. The County Court Clerk would be paid 50 cents for each decal issued. Duplicates could be obtained if the original were destroyed, or stolen. Failure to comply was a misdemeanor. This Act was rejected by the Quarterly Court of Wayne County and never became an effective law under the Home Rule Amendment to the Constitution.
3. Private Acts of 1967, Chapter 32, established a litigation tax of \$2 to be assessed and taxed as a part of the costs in all civil and criminal actions brought in the General Sessions Court of Wayne County, and a \$4 cost in all civil or criminal actions originating in Circuit and Chancery Court. The Clerk of said Courts collected the litigation tax and paid the same into a separate fund designated as the "Wayne County Capital Improvement Fund" to be used exclusively toward erecting and equipping a new jail to be constructed in Wayne County. This act was repealed by the Private Acts of 1992, Chapter 241.

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