



County Technical Assistance Service
INSTITUTE for PUBLIC SERVICE

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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
Adequate Facilities Tax 3
Private Acts of 2000 Chapter 71 3
Taxation - Historical Notes 4

Chapter XI - Taxation

Adequate Facilities Tax

Private Acts of 2000 Chapter 71

SECTION 1. This chapter shall be known and cited as the "Trousdale County Adequate Facilities Tax".

SECTION 2. As used in this act, unless a different meaning appears from the context:

- (a) "Building" means any structure built for the support, shelter, or enclosure of persons, chattels, or movable property of any kind; the term includes a mobile home. "Building" does not mean any structures used primarily for agricultural purposes.
- (b) "Building Permit" means a permit for development issued in Trousdale County, whether by the county or by any city therein.
- (c) "Certificate of Occupancy" means a license for occupancy of a building or structure issued in Trousdale County, whether by the county or by any entity therein.
- (d) "Commercial" means the development of any property for commercial use, except as may be exempted by this act.
- (e) "Development" means the construction, building, erection, or improvement to land providing a building or structure or the addition to any building or structure, or any part thereof, which provides, adds to, or increases, the floor area of a residential or commercial use.
- (f) "Dwelling Unit" means a room or rooms connected together constituting a separate, independent housekeeping establishment for owner occupancy, rental or lease on a daily, weekly, monthly, or longer basis; physically separated from any other room(s) or dwelling units which may be in the same structure; and containing independent cooking and sleeping facilities.
- (g) "Floor Area" for residential development means the total of the gross horizontal area of all floors, including basements, cellars, or attics which is heated and/or air-conditioned living space, or designed to be finished into heated and/or air-conditioned living space at a future date.
- (h) "Governing Body" means the County Commission of Trousdale County, Tennessee.
- (i) "Person" means any individual, firm, co-partnership, joint venture, association, corporation, estate, trust, business trust, receiver, syndicate, or other group or combination acting as a unit, and the plural as well as the singular number.
- (j) "Place of Worship" means that portion of a building, owned by a religious institution which has tax-exempt status, which is used for worship services and related functions; provided, however, that a place of worship does not include buildings or portions of buildings which are used for purposes other than for worship and related functions or which are not intended to be leased, rented or used by persons who do not have tax-exempt status.
- (k) "Public Buildings" means a building owned by the State of Tennessee or any agency thereof, a political subdivision of the State of Tennessee, including but not necessarily limited to counties, cities, school districts and special districts, or the federal government or any agency thereof.
- (l) "Public Facility or Facilities" means a physical improvement undertaken by the county or city, including, but not limited, to the following: roads and bridges, parks and recreational facilities, jails and law enforcement facilities, schools, libraries, government buildings, fire stations, sanitary landfills, water, wastewater and drainage projects, airport facilities and other governmental, capital improvements benefiting the citizens of the county and/or city.
- (m) "Residential" means the development of any property for a dwelling unit or units.

SECTION 3. It is the intent and purpose of this act to authorize Trousdale County to impose a tax on new development in the county payable at the time of issuance of a building permit so as to ensure and require that the persons responsible for new development share in the burdens of growth by paying their fair share for the cost of new and expanded public facilities made necessary by such development.

SECTION 4. Engaging in the act of new development within Trousdale County, except as provided in Section 6 herein, is declared to be a privilege upon which Trousdale County may, by resolution of the governing body, levy a tax.

SECTION 5. The governing body shall, by resolution, adopt administrative guidelines, procedures,

regulations and forms necessary to properly implement, administer and enforce the provisions of this act.

SECTION 6. This act shall not apply to development of:

- (a) Public buildings;
- (b) Places of worship;
- (c) Barns or outbuildings used for agricultural purposes;
- (d) Replacement structures for previously existing structures destroyed by fire or other disaster;
- (e) A structure owned by a non-profit corporation which is a qualified 501(c)3 corporation under the Internal Revenue Code;
- (f) Permanent residential structures replacing mobile homes where the mobile home is removed within thirty (30) days of the issuance of the certificate of occupancy for the permanent residential structure, provided that the permanent structure is a residence for the owner and occupant of the mobile home and that owner and occupant have resided on the property for a period of not less than three (3) years; and
- (g) Buildings moved from one (1) site within the county to another site within the county.

SECTION 7. For the exercise of the privilege described herein, Trousdale County may develop a tax rate schedule by which residential and commercial uses are classified by type for the purpose of imposition of the tax authorized herein.

SECTION 8. The tax established in this act shall be collected at the time of application for a building permit for the development as herein defined by the county or city official duly authorized in such jurisdiction to issue building permits or certificates of occupancy. The revenue collected from this tax shall be collected by the county building inspector, and the proceeds deposited with the County Trustee and used exclusively for capital projects including, but not limited to, debt service related to such improvements or projects, in the general fund, school fund, special revenue funds, highway fund, debt service fund or other capital project funds as designated by resolution of the board of County Commissioners of Trousdale County. No building permit for development as herein defined shall be issued in Trousdale County unless the tax has been paid in full to the county.

SECTION 9. The authority to impose this privilege tax on new development in Trousdale County is in addition to all other authority to impose taxes, fees, assessments, or other revenue- raising or land development regulatory measures granted either by the private or public acts of the State of Tennessee and the imposition of such tax, in addition to any other authorized tax, fee, assessment or charge, shall not be deemed to constitute double taxation.

SECTION 10. The provisions of this act shall in no manner repeal, modify or interfere with the authority granted by any other public or private law applicable to Trousdale County. This act shall be deemed to create an additional and alternative method for Trousdale County to impose and collect taxes for the purpose of providing public facilities made necessary by new development in the county.

SECTION 11. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not effect 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 12. This act shall have no effect unless it is approved by a two-thirds (2/3) majority of the Legislative Body of Trousdale County. Its approval or non-approval shall be proclaimed by the presiding officer of the Legislative Body and certified to the Secretary of State.

SECTION 13. 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 12.

Passed: May 22, 2000

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 Trousdale County Assessor. Also referenced below are acts which repeal prior law without providing new substantive provisions.

1. Private Acts of 1911, Chapter 411, Page 1141, amended Public Acts of 1907, Chapter 602, which addressed itself to tax collection in the State, by setting the annual salary of the Tax Assessors in

several counties. Under the terms of this Act, Trousdale County would pay its Tax Assessor \$300 annually out of the general county fund.

2. Private Acts of 1921, Chapter 885, Page 2707, stated that in Trousdale County, the Tax Assessor would be paid \$500 a year, payable semi-annually on the first day of January and July out of the regular funds in the county treasury. This Act was repealed by Private Acts of 1923, Chapter 598, Page 2226.
3. Private Acts of 1941, Chapter 72, Page 248, fixed the salary of the Tax Assessor of Trousdale County at \$600 a year, payable monthly out of the regular county funds on the warrant of the County Judge or Chairman.
4. Private Acts of 1949, Chapter 550, Page 1524, stated that in Trousdale County, the Tax Assessor would be paid the sum of \$900 a year, payable on the first day of each month in equal installments, which would come out of the regular funds of the County on properly drawn warrants.

Taxation

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

1. Public Acts of 1870-71, Chapter 50, Page 58, stated that counties and cities may levy taxes for county and municipal purposes if the following requisites were observed, (1) that all property be taxed according to its value upon the principles established for State taxation, and (2) that the credit of no county or city be loaned to any person, firm, or corporation, unless it is first agreed to by a majority of the Quarterly County Court and then to a referendum vote of the people wherein it must be approved by a three- fourths majority. Several counties, including Trousdale County, exempted themselves for the next ten years from the requirement of the threefourths approval by the people stating that a simple majority approval would be sufficient.
2. Private Acts of 1963, Chapter 137, providing for a litigation tax in all civil and criminal actions in general sessions, circuit and chancery court with the proceeds being divided between the county general fund and the "Courthouse and Jail Maintenance Repair Fund" was repealed by Private Acts of 1990, Chapter 144.

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