



County Technical Assistance Service
INSTITUTE for PUBLIC SERVICE

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Chapter XIII - 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.

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Chapter XIII - Taxation

Cigarette Tax

Private Acts of 1955 Chapter 295

SECTION 1. That all Counties within the State of Tennessee having a population according to Federal Census of 1950 of 482, 393 or more and all incorporated Cities within such Counties be and they hereby are authorized to levy a privilege tax upon the purchase at retail of cigarettes of One Cent per package containing 20 or less cigarettes and for packages containing more than 20 cigarettes at the rate of One Cent for each 20 cigarettes or fraction thereof; said tax so levied being a privilege tax upon the consumer of said cigarettes to be collected as hereinafter provided.

SECTION 2. Definitions: For the purposes of this Act:

- (a) The term "retailer" means a person who sells cigarettes for consumption and not for resale.
- (b) The term "wholesaler" means the person who sells cigarettes to retailers and shall include distributors, manufacturers or any other person making sales to retailers.

SECTION 3. That the tax imposed under the authority of this Act by any County shall be levied upon the retail purchases of cigarettes made in such County from retailers whose places of business are located in the portions of such County outside the boundaries of any incorporated City. A County may if it shall so determine, by appropriate resolution, levy the tax herein authorized upon all purchases of cigarettes within any City in the County which shall have failed to itself levy said tax on purchases within its boundaries, but shall not levy said tax within any city which has levied the tax within its boundaries. The tax levied by the action of the Government of any incorporated City within such County shall be levied only on the retail purchases of cigarettes made from retailers whose places of business are located within the City Limits of such incorporated City imposing such tax by the authority of this Act.

Any City within a County having a population of 482, 393 or more according to the Federal Census of 1950 or any subsequent census may cause the provisions of this Act to become effective within its boundaries, even though the County itself or other Cities within such County, have failed to do so.

SECTION 4. That said tax shall be added by each and every wholesaler who sells cigarettes to retailers within such Counties and Cities, to each invoice for cigarettes sold to a retailer within a County or City which shall have levied the tax under the authority hereof and shall be collected by such wholesaler from such retailer and remitted to said Counties and Cities as may be entitled thereto as hereinafter set out. Each such retailer shall include the amount of such tax paid by him to the wholesaler in the retail price charged by him to the consumer on each and every package of cigarettes sold.

SECTION 5. That it shall be unlawful for any retailer to sell any cigarettes within a County or a City which has adopted the provisions of this Act and levied the tax herein authorized without collecting the tax hereby authorized and each separate sale without the collection of such tax is hereby made a separate offense, punishable as hereinafter provided.

SECTION 6. That the tax hereby levied shall be remitted by all wholesalers who sell cigarettes within Counties and Cities which have adopted the provisions of this Act to the County Court Clerk, in the case of the County, and to that official who is charged with the duty of collection of privilege taxes within such City, or such other officer as may by resolution or ordinance be charged with the duty of collection thereof, said tax to be remitted to such officer not later than the 20th day of each month for the preceding month. The wholesaler is hereby required to collect the said tax from the retailer at the time of delivery of all cigarettes on which said tax is levied, and if credit be granted by the wholesaler to the retailer then the obligation to all Counties and Cities entitled to said tax shall be that of the wholesaler. The County Court of any County or the governing body of any City which has adopted the provisions of this Act is hereby authorized and empowered by Resolution in case of the County and by Ordinance in case of a City to provide reasonable rules and regulations for the implementation of the provisions of this Act. Without limitation upon the provisions of such Resolution or Ordinance such Resolution or Ordinance may provide for the making of a monthly tax return by the wholesaler under oath with such number of copies thereof as may be reasonably required by the collection of said tax and including such facts and information as may be deemed reasonable for the verification of the tax due and may provide for and require access to the pertinent records of all wholesalers at reasonable times. Such Resolution or Ordinance may likewise require the placing or printing by the wholesaler of a stamp upon each package of cigarettes showing the payment of said tax and in the event such provision is made then such stamps may be printed and sold by such Counties and such Cities to wholesalers. Such Resolution or Ordinance may also exempt from the tax herein provided all purchasers of cigarettes made upon any military base, post, hospital or other

military establishment of the United States of America. A County and a City within the County or two or more Cities within a County may contract with each other for the purpose of adopting common methods, measures, agencies, rules and regulations for the collection of their several taxes.

SECTION 7. That if the Counties and Cities levying the tax herein authorized shall elect by Resolution or Ordinance to provide and sell stamps to be affixed to packages of cigarettes, or shall elect by Resolution or Ordinance to permit the wholesaler to print a stamp on each package of cigarettes indicating the payment of the tax due thereon, it shall then be unlawful for a retailer or a consumer to have in his possession with such County or within such City any package or packages of cigarettes which are not so stamped or printed, and the possession of each and every package of unstamped cigarettes by a retailer or a consumer shall constitute a separate offense under the provisions of this Act, punishable as provided hereinafter.

SECTION 8. That each violation of any provision of this Act shall be punishable by a fine of not less than \$50.00 nor more than \$500.00.

SECTION 9. That each County and each City adopting the provisions of this Act may by Resolution or Ordinance, as the case may be, allow the wholesaler a discount of not to exceed 5% of the Tax collected by him as compensation for affixing or printing stamps, making reports and such other services as may be required of the wholesaler in the administration of the provisions of this Act.

SECTION 10. That if any portion of this Act shall be held invalid the remaining portions hereof shall not be affected.

SECTION 11. That this Act shall become effective as to any County or any City coming within the provisions hereof when the same shall have been approved by the County Court, in the case of the County, or by governing body of a City, in the case of a City, coming within the provisions hereof, by a vote of not less than two-thirds of the members of the County court or the governing of a City, as the case may be, such approval to be made by said County Court or said governing body of a City, as the case may be, within 60 days after the sine die adjournment of the General Assembly of the State of Tennessee for the year 1955, the public welfare requiring its becoming effective at that time, and this Act shall not become effective as to any County or any City before such approval by such County Court, in the case of a County, or such governing body of a City, in the case of a City. The approval or non-approval of this Act by said County Court and by said governing bodies of Cities shall be certified by the Chairman of the County Court, in the case of Counties, and by the Mayor of each City entitled to avail itself of the provisions of this Act to the Secretary of State.

Passed: March 1, 1955.

Dog License Tax Collector

Private Acts of 1921 Chapter 8

SECTION 1. That the office of Assessor and Collector of Dog License Taxes, be and hereby is created for all counties, having a population of two-hundred and twenty thousand or more, according to the Federal Census of 1920, or any subsequent Federal Census; that the powers and duties of said Assessor and Collector shall be the same as those now conferred by Chapter 61 of the Public Acts of Tennessee, for 1919, entitled, "A Bill to be entitled, an Act to regulate the owning, keeping or harboring of dogs, so as to protect the safety of the people and of property; to provide a license fee to be paid for each dog owned, kept, or harbored in this State, and to provide for the disposition of such fees, to provide penalties for the failure of certain officers to enforce this Act, and provide penalties for a violation of the provisions of this Act." And such other powers and duties as may be hereinafter imposed.

SECTION 2. That the compensation of said Assessor and Collector of Dog License Taxes, shall be the sum of twenty-five cents, each for the first five thousand dog license taxes collected by him, forty cents each for the next five thousand collected, and fifty cents each, for all over twenty-thousand dog license taxes collected, which shall be paid him out of the amount collected as license for each dog, and the said Assessor and Collector of Dog License Taxes, shall also furnish to the owner for each dog paid for, a metal tag which shall be uniform and numbered consecutively with the number engraved thereon, corresponding with the receipt given said owner by the Assessor and Collector as aforesaid, in no event to cost over the sum of ten cents, which tag shall be paid for out of the amount collected as license.

As amended by: Private Acts of 1921, Chapter 926.

SECTION 3. That the said Assessor and Collector of dog license taxes, shall be elected by the County Court of such Counties coming within the provisions of this Act, at the first term of said Court, after the passage of this Act, and thereafter at the January term of said County Court every two years, the tenure of said Collector being for a period of two years.

SECTION 4. That the County Assessor and the County Trustees of such Counties coming within the provisions of this Act, shall have no further duty or right to assess or collect said dog license tax, but all of the powers and duties which are now imposed upon the County Trustees, and County Assessors, in regard to the assessing and collecting and accounting for such licenses shall be, and the same are hereby imposed upon the Assessor and Collector of Dog License Taxes, created under the provisions of this Act.

SECTION 5. That said Assessor and Collector herein provided for, shall give a bond executed by some approved and solvent surety company authorized to do business in the State, in the penalty of Ten Thousand Dollars, payable to the State of Tennessee, conditioned for the faithful performance of the duties of said office, and said bond to be approved by the County Court of Counties coming within the provisions of this Act.

SECTION 6. That all laws and parts of laws in conflict hereto, be, and the same are hereby repealed.

SECTION 7. That this Act shall take effect from and after its passage, the public welfare requiring it.
Passed: January 14, 1921.

Hotel Tax

Private Acts of 1969 Chapter 131

SECTION 1. Definitions. For the purposes of this Act:

(a) Person. "Persons" 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.

(b) Hotel. "Hotel" means any structure, or any portion of any structure, 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. Provided, however, such definition shall not include those establishments which furnish rooms to less than six persons.

(c) Occupancy. "Occupancy" means the use or possession, or the right to the use or possession, of any room, lodgings, or accommodations in any hotel.

(d) Transient. "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 90 continuous days, or, for persons directly involved with a film or video production that has received formal assistance from the Memphis and Shelby County Film and Television Commission, who exercise 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. As amended by: Private Acts of 2004, Chapter 118.

(e) Consideration. "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.

(f) County. "County" means any county within this state having a population of not less than 600,000 according to the Federal Census of 1960, or any subsequent Federal Census.

(g) Operator. "Operator" means the person operating the hotel whether as owner, lessee or otherwise.

As amended by: Private Acts of 1971, Chapter 173.

SECTION 2. Authority to levy tax. The county is authorized to levy a privilege tax upon the privilege of occupancy in any hotel of each transient in an amount of not less than three percent (3%) nor more than five per cent (5%) of the consideration charged by the operator. Said tax so levied is a privilege tax upon the transient occupying said room and is to be collected as hereinafter provided. The rate of the tax levied under this act shall be adjusted annually by the County Quarterly Court at the amount, between three per cent (3%) and five per cent (5%) inclusive, as the previous year's experience indicates is required to, as nearly as possible, pay all of the bonded indebtedness, principle and interest and the expenses of the bond sale or sales incurred by the county and/or municipality for the purposes set forth hereinafter in this act.

SECTION 3. Tax Added to Room Invoice. Said tax shall be added by each and every operator to each invoice prepared by the operator for the occupancy of his 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 County. When a person has maintained occupancy for ninety (90) continuous days, he shall receive from the operator refund or credit for the tax previously collected from or charged to him, and the operator shall receive credit for the amount of such tax if previously paid or reported to the County. When a person directly involved with a film or video production that has received formal assistance from the Memphis and Shelby County Film and Television Commission has maintained occupancy for thirty (30) continuous days, he shall receive from the operator refund or credit for the tax previously collected from or charged to him, and the operator shall receive credit for the amount of such tax if previously paid or reported to the county.

As amended by: Private Acts of 2004, Chapter 118.

SECTION 4. Remittance to Clerk. The tax hereby levied shall be remitted by all operators who lease, rent or charge for any rooms within the County which has adopted the provisions of this Act to the County Court Clerk or such other officer as may by Resolution be charged with the duty of collection thereof, said tax to be remitted to such officer not later than the 20th day of each month for the preceding month. The operator is hereby required to collect the said tax from the transient at the time of the presentation of the invoice for said occupancy whether prior to occupancy or after 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.

SECTION 5. Rules and Regulations. The County Court which has adopted the provisions of this Act is hereby authorized and empowered by Resolution to provide reasonable rules and regulations for the implementation of the provisions of this Act. Without limitation upon the provisions of such Resolution, it may provide for the making of a monthly tax return by the operator under oath with such number of copies thereof as may be reasonably required by the collection of said tax and including such facts and information as may be reasonably required by the collection of said tax and including such facts and information as may be deemed reasonable for the verification of the tax due and may provide for and require access to the pertinent records of all operators at reasonable time.

SECTION 6. Offer to Absorb Tax Prohibited. No operator of a hotel should 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 7. Penalties and Interest for Delinquency. Taxes collected by an operator which are not remitted to the County Court 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 six percent (6%) per annum, and in addition for penalty of one-half of one percent ($\frac{1}{2}$ of 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. 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 constitute a misdemeanor punishable upon conviction by a fine not in excess of \$50.00.

SECTION 8. Records. 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 may have been liable for the collection of and payment to the County, which records the County Court Clerk shall have the right to inspect at all reasonable times.

SECTION 9. Administration. The County Court 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 his services in administering and enforcing the provisions of this Act, the County Court Clerk shall be entitled to retain as a commission two and one-half percent (2- $\frac{1}{2}$ %) of the taxes so collected. Upon any claim of illegal assessment and collection, the taxpayer shall have the remedy provided in T.C.A. 67-3033 it being the intent of this Act that the provisions of law which apply to the recovery of State taxes illegally assessed and collected be confronted to apply to the recovery of taxes illegally assessed and collected under the authority of this Act; Provided further, the County Court Clerk shall possess those powers and duties as provided in Section 67-2301, Tennessee Code Annotated, with respect to the adjustment and settlement with taxpayers, all errors of County taxes collected by him under authority of this Act and to direct the refunding of same. Notice of any tax paid under protest shall be given to the County Court Clerk and the Resolution authorizing levy of the tax shall designate a County officer against whom suit may be brought for recovery.

SECTION 10. Initial Resolution, Application and Allocation of Revenue. The initial Resolution adopted by the County levying said tax shall be adopted not more than thirty (30) days after approval by the Quarterly County Court as provided in Section 12 of this Act; and said initial Resolution shall set the

effective date of the tax which shall not be more than thirty (30) days after adoption of the initial Resolution, and shall further state the purpose of said tax to be the construction of an addition to the public Auditorium, or of additional facilities adjacent to the public Auditorium, in the nature of a convention center, for conventions, exhibitions, meetings or similar large gatherings. Revenue from this tax shall be credited to a County Fund entitled, "The Auditorium Fund", under jurisdiction of the Chairman of the Quarterly County Court, and all such expenditures therefrom shall be for the stated purpose as provided in the County Resolution levying said tax. In the event that capital expenditures for construction of such facilities are made by the County alone, the revenue from this tax shall first be applied to payment of all bonded indebtedness, principal and interest and the expenses of the bond sale or sales incurred by the County for construction of such facilities; thereafter, the revenue from this tax shall be applied to reimburse the County in full for any and all capital expenditures by the County for construction of such facilities, made or financed by means other than bonded indebtedness, including but not limited to capital expenditures from general revenue, sinking fund for capital improvements and contributions in-kind of real or personal property. In the event that a municipality within the County shall participate jointly with the County in the contribution of capital expenditures for construction of such facilities, the revenue from this tax shall be applied and allocated as follows:

(a) The revenue from such tax shall first be applied to payment of bonded indebtedness, principal and interest including expenses of the bond sale or sales, incurred by both the County and the municipality, or by either of them, for construction of such facilities and such revenue shall be allocated between the County and the municipality in such amounts necessary to meet the fiscal debt service requirements each year of both if there be sufficient funds. Such allocation shall be based upon actual bonded indebtedness incurred for such purpose, without deduction or offset due to any grant, credit or benefit which either government entity may be entitled by law to receive in connection with or as a result of such capital expenditures, such as but not limited to any grant, credit or benefit accruing under provisions of federal housing and urban renewal statutes. The Chairman of the Quarterly County Court under whose jurisdiction shall be the Auditorium Fund as provided herein shall, excluding the first year in which this tax shall be levied and beginning June 30 of each year subsequent thereto or as soon as practicable thereafter but in no event more than ninety (90) days, calculate and pay over to the municipality that amount due such municipality from the proceeds of this tax levy during that fiscal year currently ending. Revenue derived from the levy of this tax during the first year in which said tax is levied shall be carried over for use in the next ensuing fiscal year in the payment of the allocable amounts to the County and the municipality in accordance with the provisions of Section 10 hereof where applicable.

(1) If at the close of any fiscal year, the revenue from such tax shall not be sufficient to meet the total debt service of both the County and the municipality for bonded indebtedness incurred for construction of such facilities, the available revenue from this tax shall be allocated between the County and the municipality in the same direct proportion as such bonded indebtedness of each bears to the total of such bonded indebtedness of both, calculated upon the basis of the total principal amount of all such bonds which have been issued by the County and the municipality at any time prior to the close of that fiscal year provided further, that the balance, if any, of such debt service of either the County or the municipality not paid by revenue of this tax at the end of each fiscal year shall be accumulated by each in a separate account (hereinafter referred to as "deficit account") which shall bear simple interest at the same rate as the bonds issued by each such governmental entity for construction of such facilities.

(2) If the revenue from such tax in any fiscal year exceeds the total of such debt service requirements for that year, such surplus revenue thus accruing may be retained by the Chairman of the Quarterly County Court as a sinking fund for such future debt service requirements or such surplus may be applied to the reduction of the deficit accounts of the County and the municipality in the same proportion as provided in sub-section (a) (1) hereof.

(3) In the event the total bonded indebtedness incurred for construction of such facilities by either the County or the municipality shall become paid in full as to bond principal and interest, including expenses of the bond sale or sales, and some portion of such bonded indebtedness of one governmental entity remains unpaid, then that governmental entity whose bonded indebtedness has been satisfied in full shall cease, for the time being, to share in the revenue of this tax, and the total revenue from this tax shall be applied toward payment of such outstanding bonded indebtedness of the other governmental entity. For purposes of this subsection (a) (3) only, the bonded indebtedness of either the County or the municipality

shall be considered paid in full whenever the bonded indebtedness obligation to the holders of such obligation shall have been satisfied in full, even though such obligations may have been paid in part from sources other than the revenue from this tax.

(b) Upon the total of such bonded indebtedness of both the County and the municipality being paid in full, principal and interest, including expenses of the bond sale or sales, then the revenue from this tax, together with any surplus revenue accumulated in accordance with subsection (a) (2) hereof, shall next be applied to the County and the municipal accumulated deficit accounts as provided in sub-section (a) (1). For purposes of this sub-section (b) only, the revenue and surplus, if any, shall be allocated between the County and the municipality in the same direct proportion that such deficit account of each bears to the total of such deficit accounts of both governmental entities. Upon one of such governmental entities being reimbursed in full, both principal and interest on such deficit account, with a balance of the deficit account of the other governmental entity remaining unreimbursed, then the total revenue from this tax shall, for the time being, be applied to reimbursement of the deficit account of that governmental entity whose account remains unpaid.

(c) When both the County and the municipality shall have been reimbursed in full, principal and interest for such deficit accounts, in accordance with sub-section (b) hereof, then the revenue from this tax shall next be applied to reimburse both the County and the municipality for capital expenditures for construction of such facilities made from sources other than the proceeds of bonded indebtedness, including but not limited to, capital expenditures made from general revenues, sinking funds for capital improvements, and contributions in-kind of real or personal property. For purposes of this sub-section (c) only, the revenue from this tax, together with and including any surplus in the Auditorium Commission Fund, if any there be, shall be allocated fifty percent (50%) to the County and fifty percent (50%) to the municipality. When either of such governmental entities shall be reimbursed in full for all of such capital expenditures for construction of such facilities, then the total revenue from this tax shall be applied to reimbursement of the other governmental entity for such capital expenditures. At the later of: (i) such time as the original issue of bonds issued to finance the

construction of the Cook Convention Center and any bonds issued in accordance with subsections (e) and (f) of Section 10 hereof shall become paid in full as to both principal and interest and (ii) June 30, 2015, the taxing resolution shall be repealed and the tax shall no longer be levied; provided further that any funds remaining in "The Auditorium Fund", after all obligations imposed under the provisions of this act shall have been fulfilled, shall be paid into a trust fund restricted to those uses in subsections (d), (e) and (f) of Section 10 hereof.

(d) Notwithstanding any of the provisions contained herein to the contrary, any revenues produced from this tax over and above that amount which is required for each year's debt service on the existing and outstanding bonded indebtedness incurred by the city and the county for the construction of the existing Cook Convention Center, shall be used to provide funding for the Convention and Visitors Bureau or such successor agency which deals with the promotion of tourism in Memphis and Shelby County. Subject to the availability of funds, the Convention and Visitors Bureau or its successor agency shall receive an amount of three million three hundred thousand dollars (\$3,300,000) for fiscal year 1995 1996; provided further, that subject to the availability of funds, the amount of such funding shall increase by five percent (5%) per annum for each fiscal year thereafter until the tax provided for herein shall no longer be levied. Subject to the restrictions and conditions set forth herein, the Memphis City Council and the Board of County Commissioners may appropriate all excess revenues derived from the levy of the tax provided for herein for the funding of the Convention and Visitors Bureau or its successor agency.

(e) If there be excess revenues remaining after each year's debt service on the existing and outstanding bonded indebtedness incurred by the city and the county for the construction of the existing Cook Convention Center and after funds have been provided to the Convention and Visitors Bureau or its successor agency as prescribed in Section 10, subsection (d) hereof, then such excess revenues shall be applied to payment of bonded indebtedness (issued after January 1, 1995), principal and interest including expenses of the bond sale or sales, in aggregate principal amount of not exceeding eleven million five hundred thousand dollars (\$11,500,000) incurred by the county for construction of improvements to the Pyramid Arena. Such payment shall be based upon actual bonded indebtedness incurred for such purpose, without deduction or offset due to any grant, credit or benefit which the county may be entitled by law to receive in connection with or as a result of such capital expenditures, such as but not limited to any grant, credit or benefit accruing under provisions of federal housing and urban renewal statutes.

(f) If there be excess revenues remaining after each year's debt service on the existing and outstanding bonded indebtedness incurred by the city and the county for the construction of the

existing Cook Convention Center, after funds have been provided to the Convention and Visitors Bureau or its successor agency as prescribed in Section 10, subsection (d) hereof, and after each year's debt service on the existing and outstanding bonded indebtedness (issued after January 1, 1995), in aggregate principal amount of not exceeding eleven million five hundred thousand dollars (\$11,500,000), incurred by the county for construction of improvements to the Pyramid Arena as prescribed in Section 10, subsection (e), such funds must be used for one of the following purposes or any combination thereof: (1) to fund the payment of any capital improvement project expenditures relative to the existing Cook Convention Center and Auditorium that have been made by the city and the county in the past, present, or the future, including, but not limited to, debt service, interest, and pro rata issuance costs which are additional to the construction costs or (2) to provide additional funding to the Convention and Visitors Bureau or its successor agency, or (3) to fund the operating deficit, if any, of the existing Cook Convention Center and Auditorium or (4) to the payment of capital, operating and maintenance expenditures incurred in connection with a sports facility, whether paid directly by the county or paid by the county to a third party under a use and operations agreement relating to a sports facility, or to the payment of bonded indebtedness, principal and interest including expenses of the bond sale or sales, incurred by the city and county, or by either of them, for construction or modification of a sports facility, as designated by the Mayor of Memphis and the Memphis City Council and the Mayor of Shelby County and the Shelby County Board of County Commissioners or (5) to the payment of capital expenditures for public infrastructure that promotes tourism in the county.

As amended by: Private Acts of 1987, Chapter 85,
Private Acts of 1995, Chapter 74,
Private Acts of 2001, Chapter 57.
Private Acts of 2019, Chapter 30.

The County is authorized to pledge the revenue from this tax or any part thereof in payment of any bonds issued under any bond Act, including but not limited to the "County Recovery and Postwar Aid Act of 1945", as amended, Tennessee Code Annotated, for construction of such facilities; and any municipality participating in the capital expenditure for construction of such facilities is authorized to pledge its right to receive any funds from the County as provided in this Act, or any part thereof, in payment of any bonds issued by such municipality under any Municipal Bond Act for construction of such facilities.

SECTION 11. Severability Clause. The provisions of this Act are hereby declared to be severable. If any of its sections, provisions, exceptions, or parts be held unconstitutional or void, the remainder of this act shall continue to be in full force and effect, it being the legislative intent now hereby declared, that this Act would have been adopted even if such unconstitutional or void matter had not been included herein.

SECTION 12. That this Act shall have no effect unless approved by a two-thirds ($\frac{2}{3}$) vote of the Quarterly County Court of any County to which this Act may apply not more than sixty (60) days subsequent to its approval by the Chief Executive of this State or after its otherwise effective date. Its approval or non-approval shall be proclaimed by the presiding officer of the Quarterly County Court and shall be certified by him to the Secretary of State.

SECTION 13. That this Act shall be effective from and after its passage, the public welfare requiring it, but the provisions thereof shall not become operative until validated as provided in Section 12 herein and as otherwise provided in this Act.

Passed: May 2, 1969.

Property Tax Payments

Private Acts of 1970 Chapter 320

SECTION 1. In counties having a population of Six Hundred Thousand (600,000) or more, according to the Federal Census of 1960 or any subsequent Federal Census, the Trustee is authorized to accept payment of property taxes in two (2) installments, the first being prior to December 1, and the second prior to March 1st. Provided, the first installment is not made prior to December 1, the entire tax must be paid in one installment prior to March 1st.

SECTION 2. This Act shall have no effect unless it is approved by a two-thirds ($\frac{2}{3}$) vote of the quarterly county court of any county to which it may apply on or before the next regular meeting of the court occurring more than thirty (30) days after its approval by the Governor. Its approval or non-approval shall be proclaimed by the presiding officer of the quarterly county court and certified by him to the Secretary

of State.

SECTION 3. For the purpose of approving or rejecting the provisions of this Act, as provided in Section 2, it shall be effective upon becoming a law. For all other purposes, it shall become effective upon being approved as provided in Section 2.

Passed: February 18, 1970.

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

1. Public Acts of 1867-68, Chapter 87, provided for the election of a tax collector for Shelby County. The collector was in charge of the collection of taxes on privileges for Shelby County and required to hold offices for two years.
2. Public Acts of 1869-70, Chapter 9, provided that the county court clerk was to deliver the tax books for 1869 to the tax collector on or before the first Monday of January, 1870. The tax collector then had to give twenty days notice of when and where he would collect taxes.
3. Public Acts of 1870-71, Chapter 21, provided that the collector of privilege taxes was to receive 5% on the gross amount of revenue collected as his fee.
4. Public Acts of 1887, Chapter 231, authorized the Shelby County Trustee to sell a lot in the town of Raleigh, known as the Male Academy lot.
5. Public Acts of 1889, Chapter 209, amended the general law on state collection of taxes, (Public Acts of 1879, Chapter 91) to provide the taxing district of Shelby County to collect the remaining taxes and assets to the extinct municipality of the City of Memphis.
6. Public Acts of 1895, Chapter 91, set the annual compensation of the county trustee at \$3,000 per year.
7. Public Acts of 1899, Chapter 248, refunded to the City of Memphis the commissions paid by it to Shelby County for the collection of taxes and provided that no commission was to be paid in the future.
8. Acts of 1909, Chapter 507, amended the general law found in Acts of 1907, Chapter 602, to provide that the Shelby County Tax Assessor was to be paid \$5,000 per year and that the aggregate compensation of the deputy tax assessors could not exceed the salary of the tax assessor by more than 20%.
9. Private Acts of 1913, Chapter 74, amended the general law provisions on the bond of county trustees to provide that in Shelby County the amount of such bond should not exceed one-fourth of the taxes collected during the ensuing tax year. This act was amended by Private Acts of 1933, Chapter 202, to set the trustee's bond at \$100,000 and this act was further amended by Private Acts of 1947, Chapter 512, to provide that such county trustees' bond be fixed in a penalty to be decided by the quarterly county court of Shelby County.
10. Private Acts of 1913, Chapter 251, provided assistance to the county assessor, allowing him to appoint deputies and setting their aggregate compensation. This act was amended a number of times, increasing both the number of deputy assessors and the amount of their compensation.
11. Private Acts of 1913, Chapter 252, created the office of poll tax assessor and collector for Shelby County and set up his commissions on taxes collected. This act was repealed by Private Acts of 1925, Chapter 320.
12. Private Acts of 1913 (Ex. Sess.), Chapter 66, gave the county court authority to levy an additional tax for school purposes, but this tax could not be more than \$.25 above the aggregate levy by the state for state and school purposes.
13. Private Acts of 1915, Chapter 315, authorized a tax levy of not more than \$.05 per \$100 for the purposes of building an auditorium. This tax levy could not continue for more than four years and was to be in the discretion of the county court.
14. Private Acts of 1919, Chapter 627, required the county to pay the premium on the county trustee's bond.
15. Private Acts of 1921, Chapter 55, amended Private Acts of 1913, Chapter 251, so as to provide for the payment of the aggregate compensation for assistance to the county assessors of not more

than \$13,000 per annum in counties with a population of 220,000 or over, according to the Federal Census of 1920.

16. Private Acts of 1921, Chapter 338, amended the general law found in Acts of 1907, Chapter 602, to set the salary of the county tax assessor in Shelby County to \$7,200 per annum. This was amended a number of times before the salary of the assessor of property in all Tennessee counties became a matter of general law.
17. Private Acts of 1921, Chapter 422, amended the general law provisions to provide that in Shelby County all the powers and duties of the county court clerk found in general statutes was to be conferred upon the county assessor.
18. Private Acts of 1925, Chapter 40, amended Private Acts of 1913, Chapter 251, by increasing the salary of the deputy assessors to \$16,000 per annum.
19. Private Acts of 1927, Chapter 603, amended Private Acts of 1913, Chapter 251, by increasing the salary of the deputy assessors to \$20,000 per annum.
20. Private Acts of 1933, Chapter 368, amended Private Acts of 1913, Chapter 251, by increasing the salary of the deputy assessors to \$18,000 per annum.
21. Private Acts of 1933, Chapter 377, amended Private Acts of 1921, Chapter 338, by increasing the salary of the Shelby County Tax Assessor to \$6,500 per year.
22. Private Acts of 1943, Chapter 259, amended Private Acts of 1933, Chapter 368, by increasing the salary of the Shelby County Tax Assessor to \$25,000 per annum.
23. Private Acts of 1945, Chapter 133, amended Private Acts of 1913, Chapter 251, by fixing the county assessors' deputies salary to \$32,000 per annum.
24. Private Acts of 1947, Chapter 513, amended Private Acts of 1913, Chapter 251, by setting the salaries of the county assessors' deputies to \$45,000 per annum.
25. Private Acts of 1949, Chapter 238, amended Private Acts of 1913, Chapter 251, by setting the salaries of the county assessors' deputies to \$55,000 per annum.
26. Private Acts of 1951, Chapter 156, amended Private Acts of 1921, Chapter 338, to provide a salary of \$8,125 per annum to the Shelby County Tax Assessor.
27. Private Acts of 1951, Chapter 333, provided that members of the county board of equalization were to be paid \$8.00 per day.
28. Private Acts of 1951, Chapter 382, amended Private Acts of 1913, Chapter 251, by setting the compensation of the Shelby County Tax Assessors' deputies to \$75,000 per annum.
29. Private Acts of 1953, Chapter 300, amended Private Acts of 1921, Chapter 338, by setting the salary of the Shelby County Tax Assessor to \$8,800 per annum.
30. Private Acts of 1955, Chapter 117, amended Private Acts of 1921, Chapter 338, by setting the salary of the Shelby County Tax Assessor to \$11,200 per annum.
31. Private Acts of 1957, Chapter 302, amended Private Acts of 1913, Chapter 251, by setting the compensation of the Shelby County Tax Assessors' deputies.
32. Private Acts of 1959, Chapter 177, amended Private Acts of 1921, Chapter 338 by setting the salary of the Shelby County Tax Assessor to \$15,000 per annum.
33. Private Acts of 1961, Chapter 377, amended Private Acts of 1913, Chapter 251, by prescribing the qualifications for the deputies.
34. Private Acts of 1965, Chapter 63, provided that there was to be an annual assessment of taxes in Shelby County.

Taxation

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

1. Private Acts of 1825, Chapter 146, authorized the counties of Shelby and Fayette to lay a tax not exceeding 25¢ per hundred acres, on all taxable land within the lines of said counties, for improvements of the Wolf River.
2. Public Acts of 1866-67, Chapter 18, authorized the county court of Shelby County to levy a special tax upon the estates, real and personal, to raise money for the metropolitan police force.
3. Public Acts of 1867-68, Chapter 87, provided for the election of a collector of taxes on privileges for Shelby County to be elected by the qualified voters of said county and to hold office for two

years.

4. Public Acts of 1868-69, Chapter 25, authorized the Shelby County Board of County Commissioners to levy a special tax for the purpose of paying the interest on the four hundred thousand dollars of bonds which retired all unfunded indebtedness of the county. The tax was also used to pay off the interest of said bonds and for the creation of a sinking fund for the final redemption of the entire indebtedness of the county.
5. Public Acts of 1883, Chapter 6, provided for the levy and collection of taxes for the taxing district of Shelby County for the years 1883 and 1884.
6. Public Acts of 1883, Chapter 154, repealed Public Acts of 1882 (Ex. Sess.), Chapter 29, which authorized a settlement of the debt of the City of Memphis and the taxing district of Shelby County.
7. Public Acts of 1885, Chapter 3, provided for the levy and collection of taxes for the taxing district of Shelby County for the years 1885 and 1886.
8. Public Acts of 1887, Chapter 10, provided for the levy and collection of taxes for the taxing district of Shelby County for the years 1887 and 1888.
9. Public Acts of 1887, Chapter 19, amended Public Acts of 1879, Chapter 11, which established taxing districts in the state, by redefining the boundaries of the Shelby County Tax District.
10. Public Acts of 1889, Chapter 19, provided for the levy and collection taxes for the taxing district of Shelby County for the years 1889 and 1890.
11. Public Acts of 1899, Chapter 124, validated and ratified the contracts between the taxing districts of Shelby County and the Artesian Water Company.
12. Private Acts of 1913, Chapter 251, provided for the assistance to the county assessors in counties having a population of 190,000 or more, according to the Federal Census of 1910; prescribed their duties, and provided for their compensation. Private Acts of 1953, Chapter 442, amended Private Acts of 1913, Chapter 251, by setting the compensation of the county assessors' deputies to \$85,000 per annum.
13. Private Acts of 1919, Chapter 618, created the office of collector of automobile license taxes in counties having a population of 190,000 or more, according to the Federal Census of 1910, and prescribed the duties of said official, the method of his election and fixed his compensation.

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