



County Technical Assistance Service
The University of Tennessee

TENNESSEE COUNTY TAX STATISTICS

**PROPERTY TAX,
COUNTY-WIDE MOTOR VEHICLE TAX,
LOCAL OPTION SALES TAX,
AND
HOTEL/MOTEL TAX**

TECHNICAL REPORT NO. 22
OCTOBER 1980
COUNTY TECHNICAL ASSISTANCE SERVICE
THE UNIVERSITY OF TENNESSEE

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PREFACE

This is our seventh annual compilation of county tax statistics for Tennessee County Governments. Since our last report counties in Tennessee have been faced with reduced property tax bases brought about by reduced assessments of public utilities granted by the State Board of Equalization and reduced railroad property assessments resulting from passage of the Railroad Revitalization and Regulatory Reform Act of 1976, which was ruled effective in the 1979 tax year by a U. S. District Court. In addition to these adverse decisions, counties have had to cope with ever increasing costs of operation. Through the use of local sales tax increases and wheel tax increases counties have tried to retain essential services while not compromising quality or efficiency. Federal revenue sharing, reassessment programs and state shared taxes appropriated through the General Assembly have also provided needed revenues to provide these services. Last year, we offered information on an additional tax which several counties have used to generate revenues, the hotel/motel tax. Several more counties levied this tax during the 1980 Session of the General Assembly. This information is again presented in the hope that it will prove beneficial.

Since our last report two additional counties enacted a motor vehicle tax or "wheel tax" to provide additional revenues. With the addition of these two, there are now twenty-eight counties which levy such a tax, which can now be enacted without approval by the Tennessee General Assembly.

Through recent referendums, four counties have increased their local option sales tax to the maximum rate of 2.25 percent bringing the total to seventeen. Two other counties have also increased their rates since our last report, one of them being Morgan County which has never had local sales tax. With the addition of Morgan County, only one county (Anderson) does not have a county-wide local sales tax.

It is our hope that this report will be beneficial to county officials in analyzing the trends in local county revenue sources and assist them in comparing their performance with other counties statewide. If CTAS can provide other information relating to this report, please call on us at any time.

James H. Westbrook, Jr.
Executive Director

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TENNESSEE COUNTY PROPERTY TAX RATES
(1980 TAX YEAR)

Property in Tennessee counties in 1980 was taxed based on its classification. Residential and farm property was assessed at 25% of its appraisal value; industrial and commercial property was assessed at 40% while public utilities were assessed at 55%. Because of federal legislation enacting the Railroad Revitalization and Regulatory Reform Act of 1976 (Four-R-Act) railroad properties in Tennessee were assessed at between 30-40% instead of 55% for the 1980 tax year. This decision of the U. S. District Court for the Middle District of Tennessee, resulted in estimated assessment losses for counties in Tennessee of approximately \$72 million in tax year 1979. As a result of this assessment loss, many counties have had to either increase their respective tax rates or cut services or both in many instances. In fact, only five counties were able to decrease their effective tax rates from their 1979 levels this year. Coffee, Hamilton and Jefferson Counties decreased their respective rates through the use of property reappraisal programs while Bedford and McMinn Counties were able to lower their rates through the use of unallocated reserves and added assessments respectively.

In 1980, counties in Tennessee established a total of 131 taxing districts. County tax rates in 1980 range from a low of \$.95 per \$100 of assessed value in Coffee County (Inside Tullahoma) to a high of \$7.91 in Anderson County. The average tax rate for the 131 reporting taxing districts is \$3.65 per \$100 assessed value. This figure compares with the 1979 average rate of \$3.50. While this may indicate counties are levying slightly more property taxes, the reason for this slight increase in average tax rate can be explained in that many counties have undergone property reappraisal programs recently;

thereby reducing the property tax in those counties by as much as one-half to two-thirds of their respective former rate.

A more realistic comparison of property tax rates can be made through the use of effective tax rates. This rate is determined by multiplying the taxing district's tax rate by the appropriate appraisal ratio as approved by the State Board of Equalization. The most recent appraisal study results in the figures shown in Table II-A which shows the tax districts' effective tax rates for 1980 and 1979. This table shows the effective rate to range from a low of \$.95 in Coffee County (Inside Tullahoma) to a high of \$4.84 in Polk County. The average effective tax for 1980 was \$2.34. This compares to an average of \$2.26 for the 1979 tax year. Thus the average effective rate increased only 3.5% from 1979.

On the following pages you will find several tables which summarize the property tax rates which have been set by counties in 1979. Table I shows the total county tax rates with a breakdown into the various county funds and the special school district tax rates. Table II gives a listing of 1980 tax rates for the 131 reporting tax districts in Tennessee, showing present rate, prior year's rate, amount and percentage of increase or decrease. Table II-A gives a listing of 1980 effective tax rates, with the appraisal ratios and prior year's rate. Any county undergoing a reappraisal program since this report was last published was assumed to have a ratio of 100% appraisal to market value.

It is our sincere hope that the reader finds these tables informative and useful. For any additional information regarding this matter, please contact the CTAS field representative in your area.

TABLE I

DISTRIBUTION OF THE TENNESSEE COUNTY PROPERTY TAX RATES - 1980 TAX YEAR

COUNTY TAX DISTRICTS									
	COUNTY GENERAL FUND	OTHER GENERAL PURPOSE	ROAD & BRIDGE FUND	GENERAL PURPOSE SCH. FUND	OTHER SCHOOL FUND	DEBT SERVICE FUND	TOTAL COUNTY TAX RATE	SPECIAL SCHOOL DIST. TAX RATE	COMBINED TAX RATE
Anderson									
1. Outside Clinton & Oak Ridge	1.88	-	-	4.89	-	1.14	7.91	-	7.91
2. Inside Clinton	1.88	-	-	4.89	-	1.02	7.79	-	7.79
3. Inside Oak Ridge	1.88	-	-	4.89	-	.01	6.78	-	6.78
4. Bedford	.31	.11*	.27	1.72	-	-	2.41	-	2.41
5. Benton	.70	-	.10	4.07	-	.35	5.22	-	5.22
6. Bledsoe	.88	-	.04	3.65	-	1.28	5.85	-	5.85
7. Blount	.69	-	-	1.58	-	.83	3.10	-	3.10
8. Bradley	.3586	.0558*	.10	1.87	-	1.0656	3.45	-	3.45
9. Campbell	.96	-	.05	3.94	-	-	4.95	-	4.95
10. Cannon Carroll	.655	-	.015	1.10	-	-	1.77	-	1.77
11. Outside Special School Districts Inside Special School Districts below:	.55	-	.10	.60	.15	.25	1.65	-	1.65
12. Atwood	.55	-	.10	.60	.15	.25	1.65	1.25	2.90
13. Bruceton - Hollow Rock	.55	-	.10	.60	.15	.25	1.65	2.16	3.81
14. Huntingdon	.55	-	.10	.60	.15	.25	1.65	1.30	2.95
15. McKenzie	.55	-	.10	.60	.15	.25	1.65	1.10	2.75
16. McMoresville	.55	-	.10	.60	.15	.25	1.65	.10	1.75

COUNTY TAX DISTRICTS	COUNTY GENERAL FUND	OTHER GENERAL PURPOSE	ROAD & BRIDGE FUND	GENERAL PURPOSE SCH. FUND	OTHER SCHOOL FUND	DEBT SERVICE FUND	TOTAL COUNTY TAX RATE	SPECIAL SCHOOL DIST. TAX RATE	COMBINED TAX RATE
17. South Carroll	.55	-	.10	.60	.15	.25	1.65	.73	2.38
18. Trezevant	.55	-	.10	.60	.15	.25	1.65	1.15	2.80
19. Carter	.64	-	.12	2.53	-	.70	3.99	-	3.99
20. Cheatham	.60	-	.20	1.45	-	.20	2.45	-	2.45
21. Chester	1.94	-	.04	1.25	-	.47	3.70	-	3.70
22. Claiborne	1.39	-	-	3.38	-	.44	5.21	-	5.21
23. Clay	2.09	-	.05	3.59	-	-	5.73	-	5.73
Cocke									
24. Outside Newport	.96	.17*	.32	2.30	-	1.25	5.00	-	5.00
25. Inside Newport	.96	.17*	.02	2.30	-	1.25	4.70	-	4.70
Coffee									
26. Outside Manchester & Tullahoma	.15	.04*	.03	.74	.25	.06	1.27	-	1.27
27. Inside Manchester	.15	-	-	.74	.25	.06	1.20	-	1.20
28. Inside Tullahoma	.15	-	-	.74	-	.06	.95	-	.95
Crockett									
29. Outside Special School Districts	1.12	-	.11	1.48	.16	1.23	4.10	-	4.10
30. Inside Crockett Mills Spec. Sch. District	1.12	-	.11	1.48	.16	1.23	4.10	.16	4.26
31. Inside Gadsden Special School District	1.12	-	.11	1.48	.16	1.23	4.10	.15	4.25
32. Cumberland	.26	-	-	1.87	-	.37	2.50	-	2.50
33. Davidson General Services Dist	3.09	-	-	2.08	-	.45	5.62	-	5.62

COUNTY TAX DISTRICTS	COUNTY GENERAL FUND	OTHER GENERAL PURPOSE	ROAD & BRIDGE FUND	GENERAL PURPOSE SCH. FUND	OTHER SCHOOL FUND	DEBT SERVICE FUND	TOTAL COUNTY TAX RATE	SPECIAL SCHOOL DIST. TAX RATE	COMBINED TAX RATE
34. Decatur	1.595	-	.045	2.40	-	.65	4.69	-	4.69
35. Dekalb	1.31	-	.04	2.69	-	.20	4.24	-	4.24
36. Dickson	.78	-	.22	1.15	-	.20	2.35	-	2.35
37. Dyer	1.09	-	.22	.99	-	.50	2.80	-	2.80
38. Fayette	.34	-	1.25	1.36	-	.15	3.10	-	3.10
39. Fentress	.82	-	-	1.68	-	.50	3.00	-	3.00
40. Franklin	1.56	-	.07	3.27	-	.35	5.25	-	5.25
41. Gibson	.88	-	.40	1.58	-	.68	3.54	-	3.54
42. Kenton	.88	-	.40	1.58	-	.68	3.54	.10	3.64
43. Dyer	.88	-	.40	1.58	-	.68	3.54	.13	3.67
44. Rutherford	.88	-	.40	1.58	-	.68	3.54	.15	3.69
45. Bradford	.88	-	.40	1.58	-	.68	3.54	1.15	4.69
46. Giles	1.08	-	.10	2.80	-	1.67	5.65	-	5.65
47. Grainger	2.43	-	.25	2.32	-	.58	5.58	-	5.58
Greene									
48. Outside Greenville	.04	.10*	.50	1.99	-	1.65	4.28	-	4.28
49. Inside Greenville	.04	.10*	.13	1.99	-	.44	2.70	-	2.70
50. Grundy	1.40	-	.02	.70	-	.20	2.32	-	2.32
Hamblen									
51. Outside Morristown	.59	.33*	.03	2.29	-	.99	4.23	-	4.23
52. Inside Morristown	.59	-	-	2.29	-	.37	3.25	-	3.25
Hamilton									
53. Outside Municipalities	.672	-	.059	1.458	-	.263	2.452	-	2.452
54. Inside Municipalities	.672	-	.029	1.458	-	.263	2.422	-	2.422

COUNTY TAX DISTRICTS		COUNTY GENERAL FUND	OTHER GENERAL PURPOSE	ROAD & BRIDGE FUND	GENERAL PURPOSE SCH. FUND	OTHER SCHOOL FUND	DEBT SERVICE FUND	TOTAL COUNTY RAX RATE	SPECIAL SCHOOL DIST. TAX RATE	COMBINED TAX RATE
55.	Hancock	1.65	-	-	1.96	-	.01	3.62	-	3.62
56.	Hardeman	.28	-	.25	1.29	-	-	1.82	-	1.82
57.	Hardin	.41	.08	.07	.97	-	.07	1.60	-	1.60
58.	Hawkins									
	Outside Rogersville	.42	.16*	.60	2.64	-	.46	4.28	-	4.28
59.	Inside Rogersville	.42	.16*	.60	2.64	-	.14	3.96	-	3.96
60.	Haywood	.27	-	.40	1.02	-	.08	1.77	-	1.77
61.	Henderson	.64	-	.25	2.70	-	-	3.59	-	3.59
	Henry									
62.	Outside Special School Districts	.41	-	.77	2.93	-	.67	4.78	-	4.78
63.	Inside Paris Special School Districts	.41	-	.77	2.93	-	.67	4.78	1.05	5.83
64.	Hickman	.88	-	-	2.99	-	.31	4.18	-	4.18
65.	Houston	.93	-	.12	1.96	-	.17	3.18	-	3.18
66.	Humphreys	.75	-	.02	1.70	-	.93	3.40	-	3.40
67.	Jackson	.66	-	.05	2.41	-	.75	3.87	-	3.87
	Jefferson									
68.	Outside Municipalities	.48	.10*	.05	.79	-	.41	1.83	-	1.83
69.	Inside Municipalities	.48	-	.05	.79	-	.41	1.73	-	1.73
70.	Johnson	.72	-	.02	2.85	-	-	3.59	-	3.59
	Knox									
71.	Outside Municipalities	1.42	.44	.12	1.55	.29	.81	4.63	-	4.63
72.	Inside Municipalities	1.42	.44	.12	1.55	.29	.65	4.47	-	4.47

COUNTY TAX DISTRICTS		COUNTY GENERAL FUND	OTHER GENERAL PURPOSE	ROAD & BRIDGE FUND	GENERAL PURPOSE SCH. FUND	OTHER SCHOOL FUND	DEBT SERVICE FUND	TOTAL COUNTY TAX RATE	SPECIAL SCHOOL DIST. TAX RATE	COMBINED TAX RATE
73.	Lake	.92	-	-	2.85	-	.15	3.92	-	3.92
74.	Lauderdale	.46	-	.34	1.97	-	.20	2.97	-	2.97
75.	Lawrence	1.88	-	.04	2.08	-	.99	4.99	-	4.99
76.	Lewis	1.32	-	.10	1.29	-	.09	2.80	-	2.80
77.	Lincoln	1.00	-	.25	1.50	-	-	2.75	-	2.75
	Loudon									
78.	Outside Lenoir City	1.54	-	-	4.40	-	.95	6.89	-	6.89
79.	Inside Lenoir City	1.54	-	-	4.40	-	-	5.94	-	5.94
80.	McMinn	.75	-	.40	2.42	-	1.73	5.30	-	5.30
81.	McNairy	.29	-	.30	2.45	-	.16	3.20	-	3.20
82.	Macon	1.09	-	.33	1.46	-	.66	3.54	-	3.54
83.	Madison	.88	-	.40	.85	-	.52	2.65	-	2.65
	Marion									
84.	Outside Special School Districts	1.00	-	.04	3.94	-	-	4.98	-	4.98
85.	Inside Richard City Spec. Sch. District	1.00	-	.04	3.94	-	-	4.98	.35	5.33
86.	Marshall	.64	-	.10	1.49	-	.19	2.42	-	2.42
87.	Maury	.87	.08*	.36	1.97	-	.50	3.78	-	3.78
88.	Meigs	1.05	-	-	1.20	-	.30	2.55	-	2.55
89.	Monroe	.40	-	.10	1.10	-	.15	1.75	-	1.75

COUNTY TAX DISTRICTS		COUNTY GENERAL FUND	OTHER GENERAL PURPOSE	ROAD & BRIDGE FUND	GENERAL PURPOSE SCH. FUND	OTHER SCHOOL FUND	DEBT SERVICE FUND	TOTAL COUNTY TAX RATE	SPECIAL SCHOOL DIST. TAX RATE	COMBINED TAX RATE
90.	Montgomery	.66	-	.41	2.28	-	.20	3.55	-	3.55
91.	Moore	.43	-	.03	2.61	-	-	3.07	-	3.07
92.	Morgan	1.05	-	.02	2.71	-	.42	4.20	-	4.20
93.	Obion									
94.	Outside Union City	.38	-	.61	1.48	-	.25	2.72	-	2.72
	Inside Union City	.38	-	.61	1.48	-	.17	2.64	-	2.64
95.	Overton	1.32	-	.10	2.80	-	1.44	5.66	-	5.66
96.	Perry	.52	-	.03	1.10	-	.35	2.00	-	2.00
97.	Pickett	1.29	-	-	-	-	.15	1.44	-	1.44
98.	Polk	1.26	.37*	.17	2.99	-	2.30	7.09	-	7.09
99.	Putnam	.51	-	.20	1.92	-	.56	3.19	-	3.19
100.	Rhea	1.17	-	-	2.68	-	.95	4.80	-	4.80
	Roane									
101.	Outside Harriman and Oak Ridge	1.25	-	.05	1.02	-	.98	3.30	-	3.30
102.	Inside Harriman and Oak Ridge	1.25	-	.05	1.02	-	.74	3.06	-	3.06
103.	Robertson	.47	-	.08	1.08	-	.55	2.18	-	2.18
104.	Rutherford	.49	-	.31	2.30	-	.55	3.65	-	3.65
	Scott*									
105.	Outside Oneida Special School Districts	.51	-	.03	1.22	.29	.16	2.21	-	2.21
106.	Inside Oneida Special School Districts	.51	-	-	1.22	-	.16	1.89	.35	2.24

COUNTY TAX DISTRICTS

	COUNTY GENERAL FUND	OTHER GENERAL PURPOSE	ROAD & BRIDGE FUND	GENERAL PURPOSE SCH. FUND	OTHER SCHOOL FUND	DEBT SERVICE FUND	TOTAL COUNTY TAX RATE	SPECIAL SCHOOL DIST. TAX RATE	COMBINED TAX RATE
107. Sequatchie	1.33	-	.03	2.83	-	.27	4.46	-	4.46
108. Sevier	.39	-	.10	1.04	-	.47	2.00	-	2.00
109. Shelby	1.40	.12*	-	1.56	-	.22	3.30	-	3.30
110. Smith	.48	-	.03	2.30	-	.25	3.06	-	3.06
111. Stewart	.85	-	.05	1.85	-	.10	2.85	-	2.85
Sullivan									
112. Outside Municipalities	.40	.21*	.47	2.70	-	1.02	4.80	-	4.80
113. Inside Municipalities	.40	.21*	.47	2.70	-	.02	3.80	-	3.80
114. Sumner	.45	-	-	3.08	-	.72	4.25	-	4.25
115. Tipton	.36	-	.89	.68	-	.23	2.16	-	2.16
116. Trousdale	1.09	-	.03	1.80	-	.25	3.17	-	3.17
117. Unicoi	.44	.70	.02	1.44	-	.11	2.71	-	2.71
118. Union	.95	-	-	3.84	-	.40	5.19	-	5.19
119. Van Buren	2.00	-	-	2.34	-	.26	4.60	-	4.60
120. Warren	.80	-	.05	1.07	-	1.02	2.94	-	2.94
121. Washington	.64	-	.56	1.45	-	.72	3.37	-	3.37
122. Wayne	1.35	-	.06	1.60	-	.55	3.56	-	3.56
123. Weakley	.11	-	.68	1.12	-	.48	2.39	-	2.39
124. White	.92	.32*	-	2.07	-	.16	3.47	-	3.47

COUNTY TAX DISTRICTS		COUNTY GENERAL FUND	OTHER GENERAL PURPOSE	ROAD & BRIDGE FUND	GENERAL PURPOSE SCH. FUND	OTHER SCHOOL FUND	DEBT SERVICE FUND	TOTAL COUNTY TAX RATE	SPECIAL SCHOOL DIST. TAX RATE	COMBINED TAX RATE
Williamson										
125.	Outside Units Below	.27	.02	.52	1.67	-	1.05	3.53	-	3.53
126.	9th District Outside Franklin	.27	.02	.52	1.67	-	1.15	3.63	.45	4.08
127.	9th District Inside Franklin	.27	.02	-	1.67	-	1.15	3.11	.45	3.56
128.	Inside Brentwood and Fairview	.27	.02	-	1.67	-	1.05	3.01	-	3.01
Wilson										
129.	Outside Special School Districts	.74	-	.54	2.28	-	1.49	5.05	-	5.05
130.	Inside 10th Special School District	.74	-	.54	2.28	-	.76	4.32	.70	5.02
131.	Inside 16th Special School District	.74	-	.54	2.28	-	.76	4.32	.20	4.52

NOTES:

1. Bedford - \$.11 tax levy for Hospital.
2. Bradley - \$.028 tax levy for County Agent; \$.0278 levy for Library.
3. Cocke - \$.17 tax levy for Ambulance Service.
4. Coffee - \$.04 tax levy for Rural Fire Protection.
5. Greene - \$.10 tax levy for Funding Bonds.
6. Hamblen - \$.23 tax levy for Garbage Pick-Up; \$.04 for Landfill; \$.06 for Fire Departments.
7. Hawkins - \$.16 tax levy for Public Welfare.
8. Jefferson - \$.10 tax levy for Garbage Pick-Up Service.
9. Maury - \$.08 tax levy for Ambulance Service.
10. Polk - \$.22 tax levy for Ambulance Service; \$.15 levy for Waste Removal.

11. Scott - Tax rate Inside Oneida Special School District but Outside Oneida City Limits is \$2.27 (.03 Road and Bridge Fund Applies). Tax rate Inside Huntsville City Limit is \$2.18 (.29 Rural Debt Service Applies, but not .03 Road and Bridge).
12. Shelby - \$.12 tax levy for Capital Improvement Project.
13. Sullivan - \$.21 tax levy for Health and Welfare.
14. White - \$.32 tax levy for Ambulance Service.

TABLE II

COMPARISON OF TENNESSEE COUNTY PROPERTY TAX RATES - 1980 vs 1979

<u>Tax District</u>	<u>1980 Rate</u>	<u>1979 Rate</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
Anderson				
1. Outside Clinton & Oak Ridge	\$7.91	\$7.28	\$.63	8.65%
2. Inside Clinton	7.79	7.14	.65	9.10
3. Inside Oak Ridge	6.78	6.24	.54	8.65
4. Bedford	2.41	2.73	(.32)	(11.72)
5. Benton	5.22	5.12	.10	1.95
6. Bledsoe	5.85	5.10	.75	14.71
7. Blount	3.10	3.10	-	-
8. Bradley	3.45	3.10	.35	11.29
9. Campbell	4.95	4.95	-	-
10. Cannon	1.77	1.40	.37	26.43
Carroll				
11. Outside Special School Districts	1.65	1.65	-	-
Inside Special School Districts below:				
12. Atwood	2.90	2.90	-	-
13. Bruceton - Hollow Rock	3.81	3.81	-	-
14. Huntingdon	2.95	2.85	.10	3.51
15. McKenzie	2.75	2.75	-	-
16. McLemoresville	1.75	1.75	-	-
17. South Carroll	2.38	2.33	.05	2.15
18. Trezevant	2.80	2.52	.28	11.11
19. Carter	3.99	3.99	-	-
20. Cheatham	2.45	2.45	-	-
21. Chester	3.70	3.66	.04	1.09
22. Claiborne	5.21	5.21	-	-
23. Clay	5.73	5.30	.43	8.11
Cocke				
24. Outside Newport	5.00	4.75	.25	5.26
25. Inside Newport	4.70	4.45	.25	5.62
Coffee				
26. Outside Manchester & Tullahoma	1.27	3.29	See Note Page 17	-

<u>Tax District</u>		<u>1980 Rate</u>	<u>1979 Rate</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
27.	Inside Manchester	\$ 1.20	\$ 3.29	See Note Page	-
28.	Inside Tullahoma	.95	2.59	See Note Page	-
	Crockett				
29.	Outside Special School Districts	4.10	2.90	1.20	41.38
30.	Inside Crockett Mills Spec. Sch. Dist.	4.26	3.06	1.20	39.22
31.	Inside Gadsden Special School District	4.25	3.05	1.20	39.34
32.	Cumberland	2.50	2.25	.25	11.11
33.	Davidson General Services Dist.	5.62	4.44	1.18	26.58
34.	Decatur	4.69	3.72	.97	26.08
35.	Dekalb	4.24	4.24	-	-
36.	Dickson	2.35	2.35	-	-
37.	Dyer	2.80	2.80	-	-
38.	Fayette	3.10	3.10	-	-
39.	Fentress	3.00	3.00	-	-
40.	Franklin	5.25	4.25	1.00	23.53
41.	Gibson	3.54	3.54	-	-
42.	Kenton	3.64	3.64	-	-
43.	Dyer	3.67	3.67	-	-
44.	Rutherford	3.69	3.69	-	-
45.	Bradford	4.69	3.54	1.15	24.52
46.	Giles	5.65	5.65	-	-
47.	Grainger	5.58	4.27	1.31	30.68
	Greene				
48.	Outside Greeneville	4.28	3.50	.78	22.29
49.	Inside Greeneville	2.70	2.26	.44	19.47
50.	Grundy	2.32	1.74	.58	33.33%
	Hamblen				
51.	Outside Morristown	4.23	3.65	.58	15.89
52.	Inside Morristown	3.25	2.85	.40	14.06

<u>Tax District</u>	<u>1980 Rate</u>	<u>1979 Rate</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
Hamilton				
53. Outside Municipalities	\$ 2.452	\$ 3.76	See Note Page 17	-
54. Inside Municipalities	2.422	3.71	"	-
55. Hancock	3.62	3.62	"	-
56. Hardeman	1.82	1.43	.39	27.27
57. Hardin	1.60	1.50	.10	6.66
Hawkins				
58. Outside Rogersville	4.28	3.98	.30	7.54
59. Inside Rogersville	3.96	3.62	.34	9.39
60. Haywood	1.77	1.50	.22	14.67
61. Henderson	3.59	3.35	.24	7.16
Henry				
62. Outside Special School Districts	4.78	4.14	.64	15.46
63. Inside Paris Special School District	5.83	5.19	.64	12.33
64. Hickman	4.18	4.00	.18	4.50
65. Houston	3.18	2.70	.48	17.78
66. Humphreys	3.40	2.90	.50	17.24
67. Jackson	3.87	3.87	-	-
Jefferson				
68. Outside Municipalities	1.83	3.99	See Note Page 17	-
69. Inside Municipalities	1.73	3.78	"	-
70. Johnson	3.59	3.35	.24	7.16
Knox				
71. Outside Municipalities	4.63	4.17	.46	11.03
72. Inside Municipalities	4.47	4.01	.46	11.47
73. Lake	3.92	3.62	.30	8.29
74. Lauderdale	2.97	2.97	-	-
75. Lawrence	4.99	4.24	.75	17.69
76. Lewis	2.80	2.30	.50	21.74
77. Lincoln	2.75	2.57	.18	7.00

<u>Tax District</u>	<u>1980 Rate</u>	<u>1979 Rate</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
Loudon				
78. Outside Lenoir City	\$ 6.89	\$ 6.89	-	-
79. Inside Lenoir City	5.94	5.94	-	-
80. McMinn	5.30	5.50	(.20)	(3.64)
81. McNairy	3.20	2.95	.25	8.47
82. Macon	3.54	3.33	.21	6.31
83. Madison	2.65	2.65	-	-
Marion				
84. Outside Special School Districts	4.98	4.98	-	-
85. Inside Richard City Spec. Sch. Dist.	5.33	5.33	-	-
86. Marshall	2.42	2.29	.13	5.68
87. Maury	3.78	3.29	.49	14.89
88. Meigs	2.55	2.55	-	-
89. Monroe	1.75	1.75	-	-
90. Montgomery	3.55	3.20	.35	10.94
91. Moore	3.07	2.79	.28	10.04
92. Morgan	4.20	4.20	-	-
Obion				
93. Outside Union City	2.72	4.25	See Note Page 17 - "	
94. Inside Union City	2.64	4.04		
95. Overton	5.66	4.65	1.01	21.72
96. Perry	2.00	1.80	.20	11.11
97. Pickett	1.44	1.44	-	-
98. Polk	7.09	5.26	1.83	34.79
99. Putnam	3.19	3.19	-	-
100. Rhea	4.80	3.92	.88	22.45
Roane				
101. Outside Harriman and Oak Ridge	3.30	3.30	-	-
102. Inside Harriman and Oak Ridge	3.06	3.21	(.15)	(4.67)

<u>Tax District</u>	<u>1980 Rate</u>	<u>1979 Rate</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
103. Robertson	\$ 2.18	\$ 5.05	See Note Page 17	-
104. Rutherford	3.65	2.97	.68	22.89
105. Scott Outside Oneida Special School Districts	2.21	2.00	.21	10.50
106. Inside Oneida Special School Districts	2.21	2.01	.23	11.40
107. Sequatchie	4.46	4.31	.15	3.48
108. Sevier	2.00	2.00	-	-
109. Shelby	3.30	4.00	See Note Page 17	-
110. Smith	3.06	3.06	-	-
111. Stewart	2.85	2.55	.30	11.76
112. Sullivan Outside Municipalities	4.80	4.40	.40	9.09
113. Inside Municipalities	3.80	3.55	.25	7.04
114. Sumner	4.25	3.88	.37	9.54
115. Tipton	2.16	5.06	See Note Page 17	-
116. Trousdale	3.17	2.69	.48	17.84
117. Unicoi	2.71	2.67	.04	1.50
118. Union	5.19	5.19	-	-
119. Van Buren	4.60	4.60	-	-
120. Warren	2.94	2.94	-	-
121. Washington	3.37	3.10	.27	8.71
122. Wayne	3.56	2.41	1.15	47.72
123. Weakley	2.39	2.12	.27	12.74
124. White	3.47	3.15	.32	10.16
125. Williamson Outside Units Below	3.53	2.82	.71	25.18
126. 9th District Outside Franklin	4.08	2.72	1.36	50.00
127. 9th District Inside Franklin	3.56	2.36	1.20	50.85
128. Inside Brentwood & Fairview	3.01	2.46	.55	22.36

<u>Tax District</u>	<u>1980 Rate</u>	<u>1979 Rate</u>	<u>Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
Wilson				
129. Outside Special School Districts	\$ 5.05	\$ 4.13	\$.92	22.28
130. Inside 10th Special District	5.02	4.10	.92	22.44
131. Inside 16th Special District	4.52	3.60	.92	25.56

Note:

Coffee, Hamilton, Jefferson, Obion, Robertson, Shelby, and Tipton Counties participated in a reappraisal program during 1980. The new 1980 rate is based on the results of this program and therefore are not comparable with the 1979 rates in this table.

TABLE 11-A

COMPARISON OF TENNESSEE COUNTY EFFECTIVE TAX RATES
1980 vs 1979

<u>Tax District</u>	<u>1980 Tax Rate</u>	<u>Appraisal Ratio*</u>	<u>1980 Effective Tax Rate</u>	<u>1979 Effective Tax Rate</u>
Anderson				
1. Outside Clinton & Oak Ridge	\$ 7.91	38.5%	\$ 3.04	\$ 2.80
2. Inside Clinton	7.79	38.5	3.00	2.75
3. Inside Oak Ridge	6.78	38.5	2.61	2.40
4. Bedford	2.41	71.6	1.73	1.95
5. Benton	5.22	32.6	1.70	1.67
6. Bledsoe	5.85	64.2	3.76	3.27
7. Blount	3.10	68.0	2.11	2.11
8. Bradley	3.45	71.0	2.45	2.20
9. Campbell	4.95	51.3	2.54	2.54
10. Cannon	1.77	100.0	1.77	1.40
Carroll				
11. Outside Special School Districts	1.65	100.0	1.65	1.65
Inside Special School Districts below:				
12. Atwood	2.90	100.0	2.90	2.90
13. Bruceton - Hollow Rock	3.81	100.0	3.81	3.81
14. Huntingdon	2.95	100.0	2.95	2.85
15. McKenzie	2.75	100.0	2.75	2.75
16. McLemoresville	1.75	100.0	1.75	1.75
17. South Carroll	2.38	100.0	2.38	2.33
18. Trezevant	2.80	100.0	2.80	2.52
19. Carter	3.99	100.0	3.99	3.99
20. Cheatham	2.45	100.0	2.45	2.45
21. Chester	3.70	47.4	1.75	1.73
22. Claiborne	5.21	44.7	2.33	2.33
23. Clay	5.73	50.1	2.87	2.66
Cocke				
24. Outside Newport	5.00	48.3	2.42	2.29
25. Inside Newport	4.70	48.3	2.27	2.15
Coffee				
26. Outside Manchester & Tullahoma	1.27	100.0	1.27	1.49
27. Inside Manchester	1.20	100.0	1.20	1.49
28. Inside Tullahoma	.95	100.0	.95	1.17

<u>Tax District</u>	<u>1980 Tax Rate</u>	<u>Appraisal Ratio*</u>	<u>1980 Effective Tax Rate</u>	<u>1979 Effective Tax Rate</u>
Crockett				
29. Outside Special School Districts	4.10	48.0	1.97	1.39
30. Inside Crockett Mills Spec. Sch. Dist.	4.26	48.0	2.04	1.47
31. Inside Gadsden Special School District	4.25	48.0	2.04	1.46
32. Cumberland	2.50	73.9	1.85	1.66
33. Davidson General Services Dist.	5.62	61.0	3.43	2.71
34. Decatur	4.69	40.1	1.88	1.49
35. DeKalb	4.24	47.6	2.02	2.02
36. Dickson	2.35	100.0	2.35	2.35
37. Dyer	2.80	66.9	1.87	1.87
38. Fayette	3.10	44.5	1.38	1.38
39. Fentress	3.00	55.8	1.67	1.67
40. Franklin	5.25	46.6	2.45	1.98
41. Gibson	3.54	51.8	1.83	1.83
42. Kenton	3.64	51.8	1.89	1.89
43. Dyer	3.67	51.8	1.90	1.90
44. Rutherford	3.69	51.8	1.91	1.91
45. Bradford	4.69	51.8	2.43	1.83
46. Giles	5.65	45.0	2.54	2.54
47. Grainger	5.58	59.1	3.30	2.52
Greene				
48. Outside Greeneville	4.28	56.1	2.40	1.96
49. Inside Greeneville	2.70	56.1	1.51	1.27
50. Grundy	2.32	100.0	2.32	1.74
Hamblen				
51. Outside Morristown	4.23	57.8	2.44	2.11
52. Inside Morristown	3.25	57.8	1.88	1.65
Hamilton				
53. Outside Municipalities	2.452	100.0	2.452	2.52
54. Inside Other Municipalities	2.422	100.0	2.422	2.49
55. Hancock	3.62	29.4	1.06	1.06
56. Hardeman	1.82	100.0	1.82	1.43

<u>Tax District</u>	<u>1980 Tax Rate</u>	<u>Appraisal Ratio*</u>	<u>1980 Effective Tax Rate</u>	<u>1979 Effective Tax Rate</u>
57. Hardin	1.60	100.0	1.60	1.50
Hawkins				
58. Outside Rogersville	4.28	86.4	3.70	3.44
59. Inside Rogersville	3.96	86.4	3.42	3.13
60. Haywood	1.77	100.0	1.77	1.50
61. Henderson	3.59	41.2	1.48	1.38
Henry				
62. Outside Special School Districts	4.78	51.6	2.47	2.14
63. Inside Paris Special School District	5.83	51.6	3.01	2.68
64. Hickman	4.18	58.9	2.46	2.36
65. Houston	3.18	100.0	3.18	2.70
66. Humphreys	3.40	62.9	2.14	1.82
67. Jackson	3.87	51.4	1.99	1.99
Jefferson				
68. Outside Municipalities	1.83	100.0	1.83	2.01
69. Inside Municipalities	1.73	100.0	1.73	1.91
70. Johnson	3.59	100.0	3.59	3.35
Knox				
71. Outside Municipalities	4.63	57.8	2.68	2.41
72. Inside Municipalities	4.47	57.8	2.58	2.32
73. Lake	3.92	48.7	1.91	1.76
74. Lauderdale	2.97	52.3	1.55	1.55
75. Lawrence	4.99	41.7	2.08	1.77
76. Lewis	2.80	81.0	2.67	1.86
77. Lincoln	2.75	67.5	1.86	1.73
Loudon				
78. Outside Lenoir City	6.89	42.8	2.95	2.95
79. Inside Lenoir City	5.94	42.8	2.54	2.54
80. McMinn	5.30	42.9	2.27	2.36
81. McNairy	3.20	64.3	2.06	1.90
82. Macon	3.54	56.6	2.00	1.88
83. Madison	2.65	59.9	1.59	1.59

<u>Tax District</u>	<u>1980 Tax Rate</u>	<u>Appraisal Ratio*</u>	<u>1980 Effective Tax Rate</u>	<u>1979 Effective Tax Rate</u>
Marion				
84. Outside Special School Districts	4.98	44.7	2.23	2.23
85. Inside Richard City Spec. Sch. Dist.	5.33	44.7	2.38	2.38
86. Marshall	2.42	100.0	2.42	2.29
87. Maury	3.78	52.3	1.98	1.72
88. Meigs	2.55	76.1	1.94	1.94
89. Monroe	1.75	100.0	1.75	1.75
90. Montgomery	3.55	83.2	2.95	2.66
91. Moore	3.07	61.6	1.89	1.72
92. Morgan	4.20	100.0	4.20	4.20
Obion				
93. Outside Union City	2.72	100.0	2.72	2.13
94. Inside Union City	2.64	100.0	2.64	2.02
95. Overton	5.66	47.8	2.71	2.22
96. Perry	2.00	100.0	2.00	1.80
97. Pickett	1.44	100.0	1.44	1.44
98. Polk	7.09	68.2	4.84	3.59
99. Putnam	3.19	68.0	2.17	2.17
100. Rhea	4.80	57.4	2.76	2.25
Roane				
101. Outside Harriman and Oak Ridge	3.30	69.7	2.30	2.30
102. Inside Harriman and Oak Ridge	3.06	69.7	2.13	2.24
103. Robertson	2.18	100.0	2.18	2.01
104. Rutherford	3.65	64.9	2.37	1.93
Scott				
105. Outside Oneida Special School Districts	2.21	100.0	2.21	2.00
106. Inside Oneida Special School Districts	2.24	100.0	2.24	2.01
107. Sequatchie	4.46	52.5	2.34	2.26

<u>Tax District</u>	<u>1980 Tax Rate</u>	<u>Appraisal Ratio*</u>	<u>1980 Effective Tax Rate</u>	<u>1979 Effective Tax Rate</u>
108. Sevier	2.00	96.9	1.94	1.94
109. Shelby	3.30	100.0	3.30	2.69
110. Smith	3.06	54.8	1.68	1.68
111. Stewart	2.85	55.7	1.59	1.42
Sullivan				
112. Outside Municipalities	4.80	81.9	3.93	3.60
113. Inside Municipalities	3.80	81.9	3.11	2.91
114. Sumner	4.25	62.7	2.66	2.43
115. Tipton	2.16	100.0	2.16	2.15
116. Trousdale	3.17	54.2	1.72	1.46
117. Unicoi	2.71	100.0	2.71	2.67
118. Union	5.19	40.3	2.09	2.09
119. Van Buren	4.60	44.2	2.03	2.03
120. Warren	2.94	40.2	1.18	1.18
121. Washington	3.37	56.2	1.89	1.74
122. Wayne	3.56	38.6	1.37	.93
123. Weakley	2.39	100.0	2.39	2.12
124. White	3.47	41.1	1.43	1.29
Williamson				
125. Outside Units Below	3.53	91.0	3.21	2.57
126. 9th District Outside Franklin	4.08	91.0	3.71	2.48
127. 9th District Inside Franklin	3.56	91.0	3.24	2.15
128. Inside Brentwood & Fairview	3.01	91.0	2.74	2.24
129. Outside Special School Districts	5.05	69.3	3.50	2.86
130. Inside 10th Special District	5.02	69.3	3.48	2.84
131. Inside 16th Special District	4.52	69.3	3.13	2.49

*Appraisal Ratio - Average level of appraisal for assessed property as approved by State Board of Equalization. Appraisal ratios, except for those counties which underwent reappraisal programs in 1980, are taken from the "1979 Tax Aggregate Report of Tennessee" published by the State Board of Equalization, April 1980.

COUNTY-WIDE MOTOR VEHICLE TAX
LEVIED IN COUNTIES OF TENNESSEE

Counties in Tennessee may deem it necessary to levy a privilege tax on motor vehicles as a supplemental source of revenue. Such a tax is generally called a "wheel tax." With the exception of Metropolitan Nashville-Davidson County, the most common method used until recently by counties for the levy of motor vehicle tax (wheel tax) has been by passage in the Tennessee General Assembly of a private act with subsequent ratification by local authorities through either (1) referendum of the people or (2) a two-thirds (2/3) vote of the county governing body or both. However, in the second session of the 89th General Assembly the state legislature enacted a law which allows an alternative method for counties to enact a wheel tax. Chapter 618, Public Acts of 1976, subsequently codified as T.C.A. 5-802, and now renumbered 5-8-102, allows a county to pass a resolution calling for a public referendum on enacting a wheel tax. The resolution does not have to be presented to the state legislature for its approval, thereby allowing the county to pass this resolution at any time of the year and submit it to the public for approval or disapproval. Subsequent to passage of Chapter 618, an Attorney General's opinion has interpreted the intent of the act to require a public referendum on any wheel tax proposal, whether or not it was passed as private legislation or by court resolution. This ruling effectively does away with the two-thirds vote of the county court as a means of ratifying a wheel tax proposal. To date, Jackson, Marshall, Obion, and Weakley counties are the only counties to enact a wheel tax by this method. Fayette and Sumner counties have increased their existing wheel tax by this method.

Twenty-six of the ninety-five counties of Tennessee presently levy a privilege tax on all motor-driven vehicles within the county which use the road system of the county exclusive of state or federal road systems. These counties have levied this

tax through either Private Acts of the Tennessee Legislature or by court resolution and public referendum. In addition, Davidson County has enacted a regulatory fee on its motorists by passage of an ordinance through the Metropolitan Council. The amount of tax or regulatory fee levied by these twenty-seven (27) counties ranges from \$5.00 in Lake County to \$50.00 in Cheatham while the effective dates vary from 1947 (Robertson County) to 1980 (Jackson County).

Since the tax is levied on resident motorists within the county for the privilege of using the county roads, one might anticipate that revenues realized from this tax would be allocated to the county road fund for the building, repairing, and general operation of the county road department. While this might seem to be a desirable expenditure, few counties, through the medium of private act legislation, have elected to allocate this additional county revenue to their road departments. In fact, only thirteen (13) counties (Carroll, Cheatham, Crockett, Dickson, Fayette, Gibson, Lauderdale, Lincoln, Marshall, Obion, Robertson, Sumner, and Weakley, specifically allocate all or part of the proceeds to the county highway fund. Carroll, Dickson, Gibson, Obion, Sumner and Weakley Counties earmark all the proceeds to their respective highway funds; Lincoln County allocates one-half (1/2) of the proceeds to its road fund, while Lauderdale, Marshall, and Robertson Counties allocate approximately 1/3 to 1/2 of the revenue realized from this tax to their road departments.

The remaining counties take the proceeds from this privilege tax and allocate it for various uses such as debt retirement, education, and ambulance services. Williamson County allocates its revenue to the county general fund with the provision that the county commission may, at its discretion, allocate any part or all of the anticipated revenue from this tax to the county highway department.

Table III lists the counties in Tennessee which have levied a privilege tax on motor-driven vehicles, the amount levied, the authority provided and a brief explanation of how the proceeds from this tax are spent. Additionally, Table IV shows the

motor vehicle registration by county as reported by the Tennessee Department of Revenue. By using these figures, a county can obtain a rough estimate of revenues which would be realized by passage of a county-wide motor vehicle privilege tax.

The figures in Table IV represent all classifications of motor vehicles registered in Tennessee. To estimate how much revenue could be realized in your county with passage of such a tax, simply multiply the number of vehicle registrations by the desired privilege tax. Conversely, to determine what amount of tax would be required to bring in X amount of dollars, simply divide the dollar amount by the vehicle registration in your county.

It should be emphasized that CTAS is not advocating passage of such a tax in each county; however, we do feel that each county should be made aware of this method of raising needed revenues that other counties have utilized. In this regard we will be happy to assist any county desiring further information on this subject.

TABLE III

A COMPILATION OF COUNTIES IN TENNESSEE
WHICH LEVY A COUNTY-WIDE MOTOR-VEHICLE TAX

AUTHORITY, AMOUNT, EXPENDITURES
AS OF OCTOBER, 1980

<u>COUNTY</u>	<u>AMOUNT</u>	<u>AUTHORIZATION</u>	<u>HOW SPENT</u>	<u>FINES</u>
Cannon	\$10.00	Chapter 62, Private Acts 1975	The proceeds of the tax levied upon the motor-driven vehicles of residents of Cannon County are deposited in the general funds of the county and used for the county's school building or expansion programs.	\$15.00-\$50.00
Carroll	\$10.00	Chapter 264, Private Acts 1976	The proceeds of the privilege tax levied upon the motor-driven vehicles in Carroll County are deposited in the Highway fund and used exclusively for county highway purposes.	\$10.00-\$50.00
Cheatham	\$40.00	Chapter 209, Private Acts 1972 as amended by Chapter 39, Private Acts of 1977	One-fourth of the proceeds of the tax levied upon the motor-driven vehicles of residents of Cheatham County are deposited in the General Purpose Fund of the county and are used for school purposes; three-fourths of the proceeds are used exclusively to pay off outstanding school bonds of said county.	None
Cheatham	\$10.00	Chapter 1, Private Acts 1967	The proceeds are used exclusively for the purpose of rock and gravel to be used on rural roads of the county, provided that no part be used for the purchase of machinery or for labor upon such roads.	Misdemeanor

<u>COUNTY</u>	<u>AMOUNT</u>	<u>AUTHORIZATION</u>	<u>HOW SPENT</u>	<u>FINES</u>
Chester	\$10.00	Chapter 234, Private Acts 1972 As Amended By Chapter 121, Private Acts 1975	The proceeds of the tax levied upon the motor-driven vehicles of residents of Chester County are not specifically allocated for any purpose in this private act. However, it is apparent that the legislative intent of this act was to provide supplemental support of a county-wide ambulance service.	\$20.00-\$50.00
Crockett	\$20.00	Chapter 203, Private Acts 1963 as amended by Chapter 56, Private Acts 1975 and Chapter 6, Private Acts 1979	Proceeds of the Crockett County wheel tax are distributed one-fourth (1/4) to the county road fund and three-fourths (3/4) to the debt service fund for retirement of general debt of Crockett County.	Misdemeanor
Davidson	\$25.00	The initial \$15 regulatory fee was increased to \$25 by an ordinance passed by Metro Council, 1980.	The proceeds from the regulatory fee levied on motor-driven vehicles in Nashville-Davidson County are deposited in the General Fund of the County and used to defray expenses in several categories.	\$5.00-\$50.00
Dickson	\$10.00	Chapter 206, Private Acts 1976	The proceeds derived from the Dickson County motor-vehicle privilege tax are deposited in the Highway Fund and used exclusively for county road maintenance.	\$25.00-\$50.00
Dyer	\$10.00	Chapter 28, Private Acts 1963 as amended by Chapter 120, Private Acts 1969	The proceeds of the Dyer County privilege tax levied upon automobiles are used exclusively for educational purposes and divided as follows: 85% used exclusively for education and allocated among the school systems of the county on the basis of the average daily attendance for the current school year; 15% allocated to the Dyer County Board of Education and used for transportation.	\$5.00-\$50.00

<u>COUNTY</u>	<u>AMOUNT</u>	<u>AUTHORIZATION</u>	<u>HOW SPENT</u>	<u>FINES</u>
Fayette	\$25.00	Chapter 7, Private Acts 1963 Chapter 287, Private Acts 1972	The proceeds of the Fayette County Wheel Tax are divided into two (2) parts. Twenty (20%) of the amount collected is applied to the county general fund and eighty percent (80%) of monies collected become part of the county road and bridge fund.	\$25.00-\$50.00 or up to six months imprisonment
Gibson	\$10.00	Chapter 1, Private Acts 1975	The proceeds of the Gibson County privilege tax on motor-driven vehicles are deposited in the general county road fund and used exclusively for county purposes.	\$10.00-\$50.00
Greene	\$10.00	Chapter 251, Private Acts 1976 Referendum, 1978 Private Acts, Chapter 189	The proceeds from the tax levied upon motor-driven vehicles in Greene County are deposited into the county general fund and used exclusively for county purposes.	\$50.00-\$100.00
Haywood	\$10.00	Chapter 324, Private Acts 1961	The proceeds of the tax imposed on motor-driven vehicles are used exclusively for educational purposes and are part of the General Purpose School Fund.	None
Hickman	\$15.00	Chapter 2, Private Acts 1975	The proceeds of the Hickman County privilege tax on motor-driven vehicles (\$7.50 tax on motorcycles) are deposited with the sinking funds of the county and used for the retirement of principal and interest on all outstanding and future general obligation bonds of the county.	

<u>COUNTY</u>	<u>AMOUNT</u>	<u>AUTHORIZATION</u>	<u>HOW SPENT</u>	<u>FINES</u>
Houston	\$15.00	Chapter 211, Private Acts 1976 as amended by Chapter 2 Private Acts 1977 and Chapter 304 Private Acts 1978	The proceeds of the Houston County motor-vehicle privilege tax (\$5.00 tax on motor-cycles) are deposited into the "Special Revenue School Bond Sinking Fund" and used exclusively to retire bonds of the county.	\$10.00-\$50.00
Jackson	\$15.00	Court resolution as authorized by T.C.A. 5-802, now 5-8-102 and approved by public referendum, 1980.	The proceeds of the Jackson County wheel tax are used exclusively for renovation and repair of school buildings.	None
Lake	\$ 5.00	Chapter 44, Private Acts 1961 as amended by Chapter 184, Private Acts 1969 and Chapter 47, Private Acts 1971	The proceeds of the tax imposed on motor-driven vehicles are used exclusively for salaries for teachers, principals, superintendents, and other employees of the Lake County Board of Education.	None
Lauderdale	\$15.00	Chapter 2, Private Acts 1969 as amended by Chapter 124, Private Acts 1979	The proceeds of the tax imposed are used one-third (1/3) for educational purposes, one-third (1/3) for county general purposes, and one-third (1/3) for county road purposes.	\$ 5.00-\$50.00
Lincoln	\$25.00	Chapter 79, Private Acts 1979	The proceeds of the tax imposed are used one-half (1/2) for retirement of outstanding county school bonds and one-half (1/2) for repair of roads and bridges as directed by the county commission, or at their direction, for the retirement of debts incurred from maintenance and repair of county roads.	\$25.00-\$50.00
Marshall	\$25.00	Court resolution as authorized by T.C.A. 5-802, now 5-8-102 adopted July 17, 1978 and approved by public referendum on September 9, 1978.	The proceeds of the tax are used for county road purposes and retirement of school bonded debt. The distribution is \$17.50 for school debt and \$7.50 for county road purposes.	Up to \$50.00

<u>COUNTY</u>	<u>AMOUNT</u>	<u>AUTHORIZATION</u>	<u>HOW SPENT</u>	<u>FINES</u>
Montgomery	\$10.00	Chapter 283, Private Acts 1967 as amended by Chapter 346, Private Acts 1968	The proceeds of the tax levied are deposited in the General Purpose School Fund and used exclusively for educational purposes.	Misdemeanor
Obion	\$10.00	Court Resolution as authorized by T.C.A. 5-802, now 5-8-102, and Chapter 137, Private Acts 1977	The proceeds of the tax are deposited in the Highway Fund and used exclusively for highway purposes.	\$2.00
Overton	\$10.00	Chapter 119, Private Acts 1973	The proceeds of the tax are deposited in the general funds of the county and used for the county's school building or expansion program.	\$25.00-\$50.00
Robertson	\$ 5.00	Chapter 265, Private Acts 1947	The proceeds of the tax are used exclusively for the purpose of rock and gravel to be used on rural roads in the county, but no part shall be used for machinery or labor on these roads.	Misdemeanor
Robertson	\$10.00	Chapter 92, Private Acts 1971 as amended by Chapter 145, Private Acts 1971	The proceeds of the tax are deposited in the county debt service fund and used for retirement of county bond debts.	\$10.00-50.00
Robertson	\$20.00	Chapter 71, Private Acts 1979	Proceeds of this wheel tax levied on motor-driven vehicles in Robertson County are distributed one-half (1/2) to the county debt service fund and one-half (1/2) to the county highway fund.	\$10.00-\$50.00
Rutherford	\$25.00	Chapter 329, Private Acts 1970 as amended by Chapter 168, Private Acts 1975 and Chapter 285 Private Acts of 1980	The proceeds of the Rutherford County privilege tax on motor-driven vehicles are deposited to the cost debt service account of the county and expended in the following manner: Two-fifths (2/5) of the \$25.00 tax is used to retire principal and interest on high school bonds authorized during the calendar year 1970; one-fifth (1/5) of the \$25.00 tax plus a \$5.00 privilege tax on motorcycles, motor-driven bicycles and scooters is used to retire principal and interest on all bonds authorized during the calendar year 1975. Two-fifths (2/5) to county highway department for roads.	\$20.00-\$50.00

<u>COUNTY</u>	<u>AMOUNT</u>	<u>AUTHORIZATION</u>	<u>HOW SPENT</u>	<u>FINES</u>
Sumner	\$ 5.00	Chapter 22, Private Acts 1965 as amended by Chapter 299, Private Acts 1974 and Chapter 65, Private Acts 1975	The proceeds of the tax are deposited into the general road fund of the county and used exclusively for county and road purposes, including raising the salaries of the employees who work on the county roads.	\$10.00-\$50.00
Sumner	\$10.00	Court Resolution authorized by T.C.A. 5-802, now 5-8-102, and referendum.		
Tipton	\$10.00	Chapter 360, Private Acts 1959 as amended by Chapter 19, Private Acts 1961	At least one-half (1/2) of proceeds used exclusively for educational purposes and allocated to school systems within the county on the basis of the average daily attendance for the current year. The remainder of the proceeds is deposited in the county general fund. The board of county commissioners makes the initial allocation.	\$25.00-\$50.00
Weakley	\$15.00	Court Resolution authorized by T.C.A. 5-802, now 5-8-102, and referendum approved May 1, 1979.	The proceeds are deposited in the county road fund and used for county road purposes.	None
Williamson	\$15.00	Chapter 208, Private Acts 1970 as amended by Chapter 188, Private Acts 1971	The proceeds become part of the county general fund. However, the board of county commissioners is empowered to appropriate any part or all of the anticipated revenue for the use of the county highway department.	None

TABLE IV

MOTOR VEHICLE REGISTRATION FOR TENNESSEE COUNTIES*
REGISTRATION YEAR - 1978

<u>County</u>	<u>Motor Vehicle Registration</u>	<u>County</u>	<u>Motor Vehicle Registration</u>
Anderson	63,945	Lauderdale	14,771
Bedford	19,771	Lawrence	24,252
Benton	10,976	Lewis	5,806
Bledsoe	5,684	Lincoln	19,211
Blount	64,163	Loudon	22,257
Bradley	51,170	McMinn	27,156
Campbell	23,388	McNairy	16,165
Cannon	6,485	Macon	10,269
Carroll	17,068	Madison	46,167
Carter	31,151	Marion	17,905
Cheatham	12,260	Marshall	13,388
Chester	8,548	Maury	37,156
Claiborne	16,315	Meigs	5,913
Clay	4,634	Monroe	19,950
Cocke	20,788	Montgomery	59,381
Coffee	30,054	Moore	4,123
Crockett	9,799	Morgan	8,816
Cumberland	19,735	Obion	22,529
Davidson	283,539	Overton	9,857
Decatur	8,416	Perry	4,058
Dekalb	9,340	Pickett	3,275
Dickson	18,373	Polk	9,307
Dyer	23,316	Putnam	31,826
Fayette	14,474	Rhea	22,828
Fentress	8,164	Roane	32,817
Franklin	21,335	Robertson	23,196
Gibson	33,682	Rutherford	96,711
Giles	17,436	Scott	11,771
Grainger	11,447	Sequatchie	9,191
Greene	32,448	Sevier	32,272
Grundy	8,209	Shelby	451,413
Hamblen	40,862	Smith	10,204
Hamilton	193,934	Stewart	6,348
Hancock	4,210	Sullivan	112,653
Hardeman	15,154	Sumner	57,240
Hardin	16,324	Tipton	19,851
Hawkins	24,582	Trousdale	5,514
Haywood	14,004	Unicoi	12,663
Henderson	14,668	Union	14,731
Henry	21,160	Van Buren	2,495
Hickman	9,383	Warren	23,790
Houston	4,432	Washington	60,890
Humphreys	11,735	Wayne	8,294
Jackson	5,831	Weakley	22,774
Jefferson	21,474	White	13,410
Johnson	9,902	Williamson	38,987
Knox	183,589	Wilson	40,594
Lake	4,691	TOTAL	3,066,223

*Motor vehicle registration information obtained from the Tennessee Department of Revenue, Motor Vehicle Division, as contained in the May 1, 1979 publication "Registration Year Statistics." Information for the 1979 registration year was not available at the date of publication.

LOCAL SALES TAX IN TENNESSEE COUNTIES

Any county by resolution of its county commission and public referendum can levy a county-wide local sales tax at a rate of up to one-half of the rate of the state sales tax which presently is set at 4.5 per cent. This would mean a county-wide local sales tax of up to 2.25 per cent of most sales. This local tax covers the same items as the state tax with the exception of electric power, natural or artificial gas and coal and fuel oil. There exists a maximum tax of \$7.50 per single article of personal property provided a rate of 1.50 per cent to 2.25 per cent is in effect within the county. This limitation is reduced to \$5.00 on single items if the local tax is set at less than 1.50 per cent.

The proceeds from the county-wide local sales tax are distributed as follows: one-half is distributed in the same manner as the county property tax for schools, including division with any city or special school district on an average daily attendance (ADA) basis; the other one-half is distributed on the basis of where the sale occurred. Collections in incorporated municipalities go to their general funds. Collections in unincorporated areas go to the county general fund. However, a county and city may enter into a contract providing for some other distribution of the half not allocated to schools. For further information on how a county may benefit from this sales tax, please refer to the pamphlet "The Local Sales Tax Handbook for Local Officials" available from the County Technical Assistance Service or contact the CTAS field representative in your area for details.

As of October, 1980, only one (1) county had not levied a county-wide local sales tax. Anderson County does not have any local sales tax other than that where selected municipalities have levied a local sales tax.

Of the remaining ninety-four (94) counties which do have a county-wide local sales tax seventeen (17) counties levy the maximum of 2.25 per cent, ten (10) counties levy a tax of 2 per cent, seven (7) counties levy a tax of 1.75 per cent, fifty-one (51) counties levy a tax of 1.50 per cent, and nine (9) counties levy

a tax of 1.00 per cent. Since last year at this time, four counties have increased their rates to the maximum of 2.25 per cent (Blount, Davidson, McNairy and Putnam) while Morgan county, which has never had a local sales tax, levied a local rate of 2.00 per cent.

Table V includes a list of county-wide sales tax for all counties and percentage rates within these counties.

TABLE V
LOCAL OPTION SALES TAX RATES
Effective October, 1980

<u>County</u>	<u>County-wide Local Option Sales Tax Rate</u>	<u>County</u>	<u>County-wide Local Option Sales Tax Rate</u>
Anderson	See Note 1	Fayette	1.50%
Bedford	1.75%	Fentress	1.50
Benton	2.25	Franklin	1.50
Bledsoe	2.25	Gibson	1.75
Blount	2.25	Giles	1.50
Bradley	1.50	Grainger	1.00
Campbell	1.50	Greene	1.50
Cannon	1.75	Grundy	2.25
Carroll	1.00	Hamblen	1.50
Carter	1.50	Hamilton	1.75
Cheatham	2.25	Hancock	1.00
Chester	1.50	Hardeman	2.00
Claiborne	1.50	Hardin	1.50
Clay	1.00	Hawkins	2.00
Cocke	2.00	Haywood	1.50
Coffee	1.50	Henderson	2.25
Crockett	1.50	Henry	1.50
Cumberland	2.25	Hickman	1.00
Davidson	2.25	Houston	1.50
Decatur	1.50	Humphreys	1.50
DeKalb	1.50	Jackson	2.00
Dickson	1.50	Jefferson	1.50
Dyer	1.50	Johnson	1.50

Table V - Continued
Local Option Sales Tax Rates

<u>County</u>	<u>County-wide Local Option Sales Tax Rate</u>	<u>County</u>	<u>County-wide Local Option Sales Tax Rate</u>
Knox	1.50%	Rhea	1.00%
Lake	1.50	Roane	1.50
Lauderdale	2.00	Robertson	1.50
Lawrence	1.50	Rutherford	1.50
Lewis	2.00	Scott	1.00
Lincoln	1.50	Sequatchie	2.25
Loudon	1.50	Sevier	1.50
McMinn	2.00	Shelby	1.50
McNairy	2.25	Smith	2.00
Macon	1.50	Stewart	2.25
Madison	1.50	Sullivan	1.50
Marion	2.25	Sumner	1.50
Marshall	2.25	Tipton	2.25
Maurry	1.75	Trousdale	2.25
Meigs	2.00	Unicoi	1.50
Monroe	2.25	Van Buren	1.50
Montgomery	2.25	Van Buren	1.50
Moore	1.50	Warren	1.50
Morgan	2.00	Washington	1.50
Obion	1.50	Wayne	1.75
Overton	1.75	Weakley	1.50
Perry	1.00	White	1.50
Pickett	1.50	Williamson	1.50
Polk	1.00	Wilson	1.50
Putnam	2.25		

Notes:

1. Anderson County does not levy a county-wide local sales tax, however, municipalities within Anderson County have levied local sales tax as follows: Clinton, 2%; Lake City, 2.25%; and Oliver Springs, 1%.

HOTEL/MOTEL TAX IN TENNESSEE COUNTIES

The county property tax, wheel tax and local option sales tax have historically been the only local tax base available for counties. However, with increasing demands for services by county citizens coupled with the ever rising costs of these services caused by inflation, counties have been forced to look elsewhere for alternative revenue sources. One alternative which several counties have pursued has been the hotel/motel tax, a percentage tax much like the sales tax, levied on transient lodgings (less than 30 continuous days) at motels, hotels, inns, tourist camps, campgrounds and cabins.

Twelve counties in Tennessee have levied a hotel/motel tax by passage of private or public legislation. Shelby County has the oldest tax, levied in 1969 while two counties, (Cocke and Madison), levied the tax in the 1980 session of the General Assembly. In addition, the 1980 session of the General Assembly authorized Lebanon and Johnson City to levy hotel/motel taxes.

The tax varies in amount from 3% to 5% of the price of lodgings with six counties levying 3%, five levying 5% and one levying a range of 3% to 5% with the amount to be set by the county commission. Table VI lists the counties in Tennessee which have levied a hotel/motel tax, the amounts, authorization, distribution of proceeds and fines assessed for late payment of the tax. While this tax may not be very lucrative in most counties it can generate sizable revenues in others. Latest audit figures show Van Buren County collected over \$16,065 in fiscal year 1978-79. This represents the equivalent of a \$.25 property tax rate for Van Buren County. On the other end of the spectrum, Shelby County collected over \$2,090,172 during fiscal year 1978-79 or an equivalent of \$.08 1/2 on the Shelby County property tax rate.

TABLE VI

HOTEL MOTEL TAX IN TENNESSEE COUNTIES

<u>COUNTY</u>	<u>AMOUNT</u>	<u>AUTHORIZATION</u>	<u>DISTRIBUTION</u>	<u>FINES</u>
Blount	3%	Chapter 102, Private Acts 1979	Proceeds are distributed 2/3 for direct promotion of tourism and 1/3 to the County General Fund for tourist related grants.	8% per year on delinquent tax 1% per month for each month tax is late
Cocke	3%	Chapter 216, Private Acts 1980	Proceeds allocated 100% to County General Fund.	8% per year on delinquent tax 1% per month for each month tax is late
Cumberland	5%	Chapter 145, Private Acts 1979	Proceeds to be allocated 100% for County debt service fund or as specified by county court.	12% per year on delinquent tax and 1% per month on late tax
Davidson	3%	T.C.A. 6-3726, 6-3737 1978	Proceeds are to be used 1/3 for direct promotion of tourism, 1/3 for tourist related activities and 1/3 for the Urban Services General Fund.	8% per year on back tax, 1% per month
Knox	3%	T.C.A. 67-4211, 67-4224 Expires 12/31/82	Proceeds distributed 2/3 for direct promotion of tourism and 1/3 divided equally between Knox County General Fund and Knoxville City General Fund.	8% per year on back tax, 1% additional per month
Loudon	5%	Chapter 232, Private Acts 1972	Proceeds allocated 100% to County General Fund.	6% per year on back taxes, .5% additional per month

<u>COUNTY</u>	<u>AMOUNT</u>	<u>AUTHORIZATION</u>	<u>DISTRIBUTION</u>	<u>FINES</u>
Madison	5%	Chapter 324, Private Acts 1980	Proceeds distributed 37 1/2% to City of Jackson, 25% to Community Economic Development Commission, and 37 1/2% to County General Fund.	12% per year on delinquent tax 1% additional per month
Montgomery	3%	Chapter 167, Private Acts 1979	Proceeds distributed 1/4 to city of Clarksville, 1/4 to County General Fund, and 1/2 to Tourist Promotion Fund.	12% per year on back taxes 1% additional per month
Putnam	5%	Chapter 118, Private Acts 1979	Proceeds distributed 100% to County Debt Service Fund or as specified by county commission.	12% per year on back taxes, 1% additional per month.
Shelby	3-5%	Chapter 131, Private Acts 1969 as amended by Chapter 173, Private Acts 1971	Proceeds distributed 1/2 to Memphis for convention center and 1/2 to County for debt service.	6% per year on back taxes, .5% additional per month
Van Buren	5%	Chapter 169, Private Acts 1974	Proceeds distributed on per capita basis to municipal corporations and balance to Educational Capital Outlay Fund to be used for capital.	6% per year on back taxes, .5% additional per month.
Williamson	3%	Chapter 114, Private Acts 1979	Proceeds distributed 100% to County General Fund.	8% per year on back taxes, 1% per month additional



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