

HOUSE BILL 1821

By Lundberg

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 5, relative to taxation of real property.

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

SECTION 1. Tennessee Code Annotated, Section 67-5-601, is amended by adding the following language as a new, appropriately designated subsection:

() It is the policy of this state that an owner of real property that is vacant, or unused, or held for use should not be subject to a disproportionate and unexpected increase in taxes solely due to changes in the use of other real property in proximity to such real property. For this purpose, the value of real property that is vacant, or unused, or held for use shall, when the property is next reappraised, be the lesser of:

- (1) The value of the real property but for this subsection; or
- (2) The value of the real property in the tax year of the immediately preceding reappraisal plus twenty-five percent (25%) of that value.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to claims pending on or after such effective date.