

HOUSE BILL 168

By Lamar

AN ACT to amend Tennessee Code Annotated, Title 67,
relative to taxation.

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

SECTION 1. Tennessee Code Annotated, Section 67-5-601, is amended by deleting subsection (c) in its entirety and substituting instead the following:

(c) The general assembly finds that the valuation of residential property on the basis of comparable sales is too speculative and subjective to be a fair and equitable basis for taxation. Such property must be valued on the basis of the most recent sale, lease, mortgage, or other transfer of an interest in the property for which unrelated parties with competing interests agreed to a valuation of the property. For purposes of such valuations, assessors shall adjust for improvements, impairments, and inflation and shall disregard a transaction between family members or other persons who might have had a shared interest in significantly over- or under-valuing the property.

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.