

HOUSE BILL 804

By Fitzhugh

AN ACT to amend Tennessee Code Annotated, Title 67,  
Chapter 6, relative to the sales and use tax.

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

SECTION 1. Tennessee Code Annotated, Section 67-6-102, is amended by adding the following as new, appropriately designated subdivisions:

( ) "Diaper" means any absorbent garment to be worn by infants and children who are not toilet-trained or individuals who are incapable of, or have difficulty, controlling their bladder or bowel movements;

( ) "Feminine hygiene product":

(A) Means any product to be used by women with respect to menstruation or other genital-tract secretions; and

(B) Includes tampons, pads, liners, cups, and douches;

SECTION 2. Tennessee Code Annotated, Section 67-6-228, is amended by deleting subsection (a) and substituting instead the following:

(a) Notwithstanding this part to the contrary, except as otherwise provided in subsection (b), the retail sale of food and food ingredients for human consumption shall be taxed as a percentage of the sales price according to the following schedule:

<u>For sales that occur</u>	<u>Tax Rate</u>
Prior to January 1, 2018	5.00%
On or after January 1, 2018, and prior to January 1, 2019	4.50%
On or after January 1, 2019, and prior to January 1, 2020	4.00%
On or after January 1, 2020,	3.50%

and prior to January 1, 2021	
On or after January 1, 2021, and prior to January 1, 2022	3.00%
On or after January 1, 2022, and prior to January 1, 2023	2.50%
On or after January 1, 2023, and prior to January 1, 2024	2.00%
On or after January 1, 2024, and prior to January 1, 2025	1.50%
On or after January 1, 2025, and prior to January 1, 2026	1.00%
On or after January 1, 2026, and prior to January 1, 2027	0.50%
On or after January 1, 2027	0.00%

SECTION 3. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by adding the following as a new, appropriately designated section:

There is exempt from the tax imposed by this chapter any diapers, feminine hygiene products, and over-the-counter drugs for human use not dispensed pursuant to a prescription.

SECTION 4. This act shall take effect July 1, 2017, the public welfare requiring it.