

HOUSE BILL 2034

By Gravitt

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, relative to tax relief for property used for certain educational purposes.

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

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 5, Part 2, is amended by adding the following as a new section:

(a) Subject to the requirements of § 67-5-212, tangible personal property owned and used by a nonprofit organization pursuant to the requirements of this section shall be eligible for property tax exemption as an educational use of property. To qualify for the exemption, the property shall be owned by a nonprofit corporation that:

(1) Is exempt from federal income taxation as an exempt organization under § 501(c)(3) of the Internal Revenue Code (26 U.S.C. § 501(c)(3));

(2) Has as its historic sole purpose the provision of programs that educate youth, teens, and adults about the Congressional Medal of Honor and its local and national recipients, including character development programs for youth in local schools and family development centers that are dedicated to teaching them about the six (6) character traits that the Medal of Honor recipients share, which are courage, commitment, sacrifice, patriotism, integrity, and citizenship;

(3) Provides that the corporation's board members shall serve without compensation; and

(4) Is dedicated to and operated exclusively for nonprofit purposes.

(b) Any owner of tangible personal property claiming exemption under this section shall be required to file an application for exemption with the state board of equalization on the same form and in the same manner prescribed in § 67-5-212(b).

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