



State of Tennessee

PUBLIC CHAPTER NO. 1058

HOUSE BILL NO. 2435

By Representatives Mark White, Camper, Akbari, Thompson

Substituted for: Senate Bill No. 2056

By Senator Tate

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 88 and Title 67, Chapter 4, relative to tourism development zones.

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

SECTION 1. Tennessee Code Annotated, Section 7-88-106(a), is amended by designating the existing language as subdivision (a)(1) and adding the following new subdivision (a)(2):

(2)

(A) Notwithstanding subdivision (a)(1), and subject to the recommendation of the comptroller of the treasury and approval by the state building commission no later than December 31, 2018, the portion of the incremental increase in the local sales and use tax revenue shall be apportioned and distributed for one (1) qualified public use facility if placed in service no later than December 31, 2022, and if such facility consists of a hotel with at least five hundred (500) rooms and related retail, parking, and commercial uses. No state sales and use tax revenue shall be allocated to the municipality pursuant to this subdivision (a)(2).

(B) Apportionment and distribution of local tax revenue in accordance with subdivision (a)(2)(A) shall continue until the earlier of:

(i) Thirty (30) years from the date it is reasonably anticipated that the facility will commence operations as a public use facility; or

(ii) The date the cumulative amount apportioned and distributed to the municipality under subdivision (a)(2)(A) with respect to such facility equals the indebtedness of the municipality or public authority, plus interest thereon, related to the cost of the public use facility payable from such amount.

SECTION 2. Tennessee Code Annotated, Section 67-4-3003(c), is amended by designating the existing language as subdivision (c)(1) and adding the following new subdivision (c)(2):

(2) Tax levied pursuant to this part for a qualified public use facility approved pursuant to § 7-88-106(a)(2) shall continue until the earlier of:

(A) Thirty (30) years from the date it is reasonably anticipated that the facility will commence operations as a public use facility; or

(B) The date the cumulative amount apportioned and distributed to the municipality under § 67-4-3005 with respect to such public use facility equals the indebtedness of the municipality or public authority, plus interest thereon, related to the cost of the public use facility payable from such amount.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

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PASSED: April 24, 2018



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES



RANDY MCNALLY
SPEAKER OF THE SENATE

APPROVED this 21st day of May 2018



BILL HASLAM, GOVERNOR