

SENATE BILL 327

By Tracy

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 6, Part 5, relative to compensation for certain costs incurred by dealers in accounting for and remitting sales and use taxes to the state.

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

SECTION 1. Tennessee Code Annotated, Section 67-6-509, is amended by deleting the section in its entirety and substituting instead the following:

(a) For purposes of compensating the dealer in accounting for and remitting the tax, a dealer shall be allowed a deduction of tax due, reported, and remitted to the department of revenue as follows:

(1) Two percent (2%) of the first two thousand five hundred dollars (\$2,500) on each report; and

(2) One and fifteen one-hundredths percent (1.15%) of the amount over two thousand five hundred dollars (\$2,500) on each report.

(b) No deduction from tax due shall be allowed if any such report or remittance of tax is delinquent.

(c)

(1) Notwithstanding subsection (a), the deduction provided by this section is limited to a maximum of twenty-five dollars (\$25.00) per report.

(2) The limitation imposed by subdivision (c)(1) does not apply to returns filed by any out-of-state person making sales in this state who cannot be required to register for sales and use tax under applicable law but who nevertheless voluntarily registers to collect and remit use tax on items of tangible personal property sold to Tennessee customers.

(d) Notwithstanding any law to the contrary, an amount equal to the excess of the amount calculated by the formula set forth in subsection (a), over and above the twenty-five-dollar limit imposed by subdivision (c)(1), shall be retained by the state and deposited in the state's general fund.

SECTION 2. This act shall take effect July 1, 2015, the public welfare requiring it, and shall apply to sales and use taxes collected by dealers on or after that date.