

SENATE BILL 462

By Briggs

AN ACT to amend Tennessee Code Annotated, Section 67-6-103, relative to distribution of revenues.

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

SECTION 1. Tennessee Code Annotated, Section 67-6-103(a)(1), is amended by deleting the subdivision and substituting instead the following:

(1) Twenty-eight and five thousand two hundred sixty-two ten-thousandths percent (28.5262%) of such monies must be earmarked and allocated specifically and exclusively to the general fund;

SECTION 2. Tennessee Code Annotated, Section 67-6-103(a)(3)(A), is amended by deleting the subdivision and substituting instead the following:

(A) Five and nine hundred nine ten-thousandths percent (5.0909%) must be appropriated to the several incorporated municipalities within this state to be allocated and distributed to them monthly by the commissioner of finance and administration, in the proportion as the population of each municipality bears to the aggregate population of all municipalities within the state, according to the 2020 federal census or subsequent federal census. Municipalities incorporated subsequent to the last decennial federal census shall, until the next decennial federal census, be eligible for an allotment, commencing on July 1, following incorporation, election, and installation of officials, on the population basis determined under regulations of the department of economic and community development and certified by that office to the commissioner; provided, that an accurate census of population has been certified to the department of economic and community development by the municipality. Municipalities now participating in the

allocation shall continue to do so on the basis of their population determined according to law;

SECTION 3. Tennessee Code Annotated, Section 67-6-103(a)(3)(B)(i), is amended by deleting "four and six thousand thirty ten-thousandths percent (4.6030%)" and substituting instead "five and nine hundred nine ten-thousandths percent (5.0909%)".

SECTION 4. Tennessee Code Annotated, Section 67-6-103(a)(3)(E), is amended by deleting the subdivision and substituting instead the following:

(E) Before distributing monies to incorporated municipalities from the sales tax, as provided for herein, the commissioner of finance and administration shall make a deduction therefrom monthly of a sum equal to one percent (1%) of the monthly allocation of the amount of sales tax collections allocated to incorporated municipalities as provided for in subdivision (a)(3)(A). This sum, together with an appropriation per annum from the general fund of the state, must be apportioned and transmitted to the University of Tennessee for use by the university in establishing and operating a municipal technical advisory service in its institute for public service, and must be used for studies and research in municipal government, publications, educational conferences, and attendance at such conferences and in furnishing technical, consultative, and field services to municipalities in problems relating to fiscal administration, accounting, tax assessment and collection, law enforcement, improvements and public works, and in any and all matters relating to municipal government. This program shall be carried on in cooperation with, and with the advice of, cities and towns in the state acting through the Tennessee municipal league and its executive committee, which is recognized as their official agency or instrumentality;

SECTION 5. Tennessee Code Annotated, Section 67-6-103(a)(3)(F)(i), is amended by deleting "four and six thousand thirty ten-thousandths percent (4.6030%)" and substituting instead "five and nine hundred nine ten-thousandths percent (5.0909%)".

SECTION 6. This act takes effect July 1, 2023, the public welfare requiring it.