

SENATE BILL 560

By Southerland

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

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

SECTION 1. Tennessee Code Annotated, Section 67-6-102(8)(B), is amended by deleting the subdivision in its entirety and substituting instead the following language:

(B)

(i) "Business" does not include occasional and isolated sales or transactions by a person not regularly engaged in business, or the occasional and isolated sale at retail or use of services sold by or purchased from a person not regularly engaged in business as a vendor of taxable services, or from one who is such a vendor but is not normally a vendor with respect to the services sold or purchased in such occasional or isolated transaction;

(ii) "Business" does not include those occasional or isolated sales or transactions by such a person involving mobile homes or house trailers, as defined by § 55-4-111, when the consummation of such exclusively involves the assumption by the purchaser of a previously existing finance contract and no other consideration is received by the seller;

(iii) "Business" does not include any sales or use of tangible personal property of any type sold directly to consumers by any person, including, but not limited to, the Girl Scouts or county fairs; provided, however, that:

(a) The tangible personal property is not regularly sold by the person or is regularly sold by the person only during a temporary sales period that occurs on a semiannual, or less frequent, basis; or

(b) The tangible personal property is sold only during a temporary sales period that occurs no more than four (4) times per calendar year, if sold by a volunteer fire department;

(iv) "Business" does not include any sales of tangible personal property of any type sold by any person directly to consumers if the sales take place at festivals conducted primarily for amusement and entertainment purposes; the sales occur at no more than a total of four (4) festivals per calendar year; each festival is operated by a nonprofit public benefit corporation; and the person made, crafted, produced, or grew the tangible personal property being sold;

(v) For charitable entities whose primary purpose is fundraising in support of a city, county, or metropolitan library system, "business" does not include sales that the charitable entity elects to make in lieu of two (2) semiannual temporary sales periods; provided, that the sales do not exceed one hundred thousand dollars (\$100,000) per calendar year; provided further, that the election by the charitable entity shall remain in effect for no less than four (4) years;

SECTION 2. This act shall take effect at 12:01 a.m. on July 1, 2015, the public welfare requiring it.