



# State of Tennessee

## PUBLIC CHAPTER NO. 558

HOUSE BILL NO. 975

By Representatives Williams, Camper, Love

Substituted for: Senate Bill No. 679

By Senator Lundberg

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 3 and Title 67, Chapter 6, relative to taxes.

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

SECTION 1. Tennessee Code Annotated, Section 7-3-202(a)(3), is amended by deleting the following:

means a structure with seats for not less than thirty thousand (30,000) spectators, which is constructed after July 7, 1977, and which

and substituting instead the following:

means a structure that is constructed or improved after July 7, 1977, to contain seats for not less than thirty thousand (30,000) spectators, and that

SECTION 2. Tennessee Code Annotated, Section 67-6-103(d)(1)(A), is amended by adding the following new subdivision:

(vi) Notwithstanding the allocations provided for in subsection (a), in a municipality with a population of more than five hundred thousand (500,000), according to the 2010 federal census or any subsequent federal census, with a motor sports facility less than one (1) mile in circumference, and only if the municipality or any board or instrumentality of the municipality reimburses the state for any costs to reallocate apportionments of the tax revenue under this section, then an amount must be apportioned and distributed to the municipality equal to the amount of state tax revenue derived from the sale of admissions to all events occurring at the motor sports facility and from all sales of food, drinks, merchandise, and parking, which includes parking of recreational vehicles and other vehicles, regardless of whether such vehicles are used for overnight accommodations or connected to electric and water services, sold from a location on the premises of the motor sports facility in conjunction with an event occurring at the motor sports facility. The amount distributed to the municipality must be for the exclusive use of the agency formally designated by the municipality to govern the operations of the motor sports facility and must be utilized exclusively for capital and operation expenses associated with the motor sports facility.

SECTION 3. Tennessee Code Annotated, Section 67-6-712(c)(1), is amended by adding the following as a new, appropriately designated subdivision:

( ) Notwithstanding the allocations provided for in subsection (a), in a municipality with a population of more than five hundred thousand (500,000), according to the 2010 federal census or any subsequent federal census, with a motor sports facility less than one (1) mile in circumference, and only if the municipality or any board or instrumentality of the municipality reimburses the state for any costs to reallocate apportionments of the tax revenue under this section, then an amount must be apportioned and distributed to the municipality equal to the amount of local tax revenue derived from the sale of admissions to all events occurring at the motor sports facility and from all sales of food, drinks, merchandise, and parking, which includes parking of recreational vehicles and other vehicles, regardless of whether such vehicles are used for overnight accommodations or connected to electric and water services, sold from a location on the premises of the motor sports facility in conjunction with an event occurring at the motor

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sports facility. The amount distributed to the municipality must be for the exclusive use of the agency formally designated by the municipality to govern the operations of the motor sports facility and must be utilized exclusively for capital and operation expenses associated with the motor sports facility.

SECTION 4. This act takes effect July 1, 2021, the public welfare requiring it.

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PASSED: May 5, 2021



CAMERON SEXTON, SPEAKER  
HOUSE OF REPRESENTATIVES



RANDY MCNALLY  
SPEAKER OF THE SENATE

APPROVED this 20<sup>th</sup> day of May 2021



BILL LEE, GOVERNOR