

SENATE BILL 750

By Johnson

AN ACT to amend Tennessee Code Annotated, Title 5;  
Title 6; Title 7; Title 67, Chapter 6, Part 1 and  
Title 67, Chapter 5, relative to taxation of property.

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

SECTION 1. Tennessee Code Annotated, Section 67-5-102(a), is amended by deleting subdivision (2) and substituting instead the following:

(2) Property tax rates shall be fixed by the county legislative body of each county or by referendum of the voters of the county, if the voters of the county have first determined by a referendum pursuant to § 67-5-105 that all increases in property tax rates proposed by the county legislative body shall be approved through a referendum election.

SECTION 2. Tennessee Code Annotated, Section 67-5-103, is amended by adding the following language as a new subsection:

(d) Property tax rates shall be fixed by the municipal legislative body of a municipality or by referendum of the voters of the municipality, if the voters of the municipality have first determined by a referendum pursuant to § 67-5-105 that all increases in property tax rates proposed by the municipal legislative body shall be approved through a referendum election.

SECTION 3. Tennessee Code Annotated, Title 67, Chapter 5, Part 1, is amended by adding the following language as a new section:

§ 67-5-105.

(a)

(1) With respect to taxes fixed by the county legislative body pursuant to § 67-5-102(a)(2), if there is a petition of registered voters amounting to ten

percent (10%) of the votes cast in the county in the last gubernatorial election that is filed with the county election commission no later than sixty (60) days prior to the regular August election or regular November election in accordance with § 2-3-204(b), then the county election commission shall call an election on the question of whether or not all increases in property tax rates proposed by the county legislative body shall be approved through a referendum election..

(2) With respect to taxes fixed by the municipal legislative body pursuant to § 67-5-103(d), if there is a petition of registered voters amounting to ten percent (10%) of the votes cast in the municipality in the last gubernatorial election that is filed with the county election commission no later than sixty (60) days prior to the regular August election or regular November election in accordance with § 2-3-204(b), then the county election commission shall call an election on the question of whether or not all increases in property tax rates proposed by the municipal legislative body shall be approved through a referendum election.

(b) The county election commission shall call such election to be held in either the regular August election or regular November election for the purpose of determining whether or not all increases in property tax rates proposed by the legislative body shall be approved through a referendum election. The ballot shall provide options to vote “FOR” or “AGAINST” the question, and a majority vote of those voting in the election shall determine whether a referendum shall be required for all increases in property tax rates proposed by the legislative body.

(c) The ballots used in such election shall have printed on them the substance of such petition and the voters shall vote for or against its approval.

(d) The votes cast on the question shall be canvassed and the results proclaimed by the county election commission and certified by it to the local governing body.

(e) The qualifications of voters voting on the question shall be the same as those required for participation in general elections.

(f) All laws applicable to general elections shall apply to the determination of the approval or rejection of the question.

(g)

(1) If the majority vote is for the question, the county election commission shall call an election following any vote by the respective county or municipal legislative body to increase the property tax rates. Any ordinance or resolution of a county or of a municipality, under the authority of this section, shall not become operative until approved in an election herein provided in the county or the municipality, as the case may be.

(2) The election shall be held in a regular election or in a special election for the purpose of approving or rejecting such resolution or ordinance.

(3) The ballot shall provide options to vote "FOR" or "AGAINST" the ordinance or resolution, after the receipt of a certified copy of such resolution or ordinance, and a majority vote of those voting in the election shall determine whether or not the ordinance or resolution is to be operative.

(4) The ballots used in such election shall have printed on them the substance of such resolution or ordinance and the voters shall vote for or against its approval.

(5) The votes cast on the question shall be canvassed and the results proclaimed by the county election commission and certified by it to the local governing body.

(6) The qualifications of voters voting on the question shall be the same as those required for participation in general elections.

(7) All laws applicable to general elections shall apply to the determination of the approval or rejection of the question.

(8) If the majority of voters vote for the approval of the ordinance or resolution, then the ordinance or resolution shall be operative. If the majority of voters vote against the approval of the ordinance or resolution, then the property tax rates in place immediately prior to the action of the county legislative body or the municipal legislative body to increase the rates shall be the property tax rates for the tax year to which the ordinance or resolution applied.

(h)

(1) If a referendum has been approved with respect to any property tax increases by the county legislative body pursuant to subsection (a), and if there is a petition of registered voters amounting to twenty-five percent (25%) of the votes cast in the county in the last gubernatorial election that is filed with the county election commission no later than sixty (60) days prior to a regular August election or regular November election in accordance with § 2-3-204(b), then the county election commission shall call an election on the question of whether or not such referendum requirement shall be repealed.

(2) If a referendum has been approved with respect to any property tax increases by the municipal legislative body pursuant to subsection (b), and if there is a petition of registered voters amounting to twenty-five percent (25%) of

the votes cast in the municipality in the last gubernatorial election that is filed with the county election commission no later than sixty (60) days prior to a regular August election or regular November election in accordance with § 2-3-204(b), then the county election commission shall call an election on the question of whether or not such referendum requirement shall be repealed.

(3) The ballot shall provide options to vote “FOR” or “AGAINST” repealing the referendum requirement, and a majority vote of those voting in the election shall determine whether or not such referendum requirement shall be repealed.

(4) The ballots used in such election shall have printed on them the substance of the petition and the voters shall vote for or against its approval.

(5) The votes cast on the question shall be canvassed and the results proclaimed by the county election commission and certified by it to the local governing body.

(6) The qualifications of voters voting on the question shall be the same as those required for participation in general elections.

(7) All laws applicable to general elections shall apply to the determination of the approval or rejection of the question.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.