

SENATE BILL 1212

By Harper

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 88 and Title 67, relative to activity in central business improvement districts which lie within a tourism development zone.

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

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 88, Part 1, is amended by adding the following language as a new section:

7-88-117.

(a)

(1) Notwithstanding any provision of law to the contrary, any metropolitan government which has created a tourism development zone pursuant to this chapter and which tourism development zone completely includes one (1) or more central business improvement districts, may, by resolution of its governing body, impose an additional fee on the sales price of services and tangible personal property sold at retail within the central business improvement districts in the tourism development zone; provided that there shall be exempt from the fee imposed by this chapter any sales of the following:

- (A) Professional services;
- (B) Lodging provided to transients;
- (C) Tickets to sporting events or other live ticketed events;
- (D) Alcoholic beverages which are subject to the liquor by the drink tax in addition to sales tax;
- (E) Newspapers and other publications; and
- (F) Overnight and long term parking.

(2) The fee authorized by this section shall not exceed the rate of twenty-five-thousandths percent (.025%).

(b)

(1) The metropolitan government shall furnish a certified copy of the adopting resolution to the department of revenue in accordance with regulations prescribed by the department.

(2) The department of revenue shall collect such fee concurrently with the collection of the state sales tax in the same manner as the state sales tax is collected.

(3) The proceeds of the fee provided for in this section shall be distributed to the metropolitan government from which the fee was collected to be deposited into the event and marketing fund of such government. The funds derived from the collection of this fee shall be used to assist in the recruitment of major conventions and group meetings, the improvement of promotion, and to provide additional focused security in the central business improvement districts located within a tourism development zone.

SECTION 2. This act shall take effect January 1, 2014, the public welfare requiring it.