

SENATE BILL 2121

By Yager

AN ACT to amend Tennessee Code Annotated, Title 67,  
Chapter 6, Part 3, relative to sales and use  
taxation of certain utilities.

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

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by adding the following as a new section:

The sales and use tax imposed by this chapter on sales of water by a public utility only applies to charges on a customer's monthly water bill for metered water usage, a monthly minimum bill, a monthly customer charge, or a monthly demand charge.

SECTION 2. Tennessee Code Annotated, Section 67-6-334, is amended by adding the following as a new subsection (c):

(c) The sales and use tax imposed by this chapter on sales of natural gas, propane, and electricity sold directly to the consumer for non-residential use applies only to charges on a consumer's monthly bill for metered usage, a monthly minimum bill, a monthly customer charge, or a monthly demand charge.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.