

SENATE BILL 3458

By Southerland

AN ACT to amend Tennessee Code Annotated, Title 7,  
Chapter 4 and Title 67, Chapter 4, Part 14, relative  
to taxes upon the privilege of occupancy.

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

SECTION 1. Tennessee Code Annotated, Section 67-4-1425, is amended by adding the following language as a new subsection:

(j) This section shall not apply in any city having a population of not less than six thousand nine hundred (6,900) nor more than seven thousand (7,000), according to the 2010 federal census or any subsequent federal census, that is located within a county having a population of not less than thirty-five thousand six hundred (35,600) nor more than thirty-five thousand seven hundred (35,700) according to the 2010 federal census or any subsequent federal census; provided, that the city is authorized to levy a privilege tax by ordinance adopted by a two-thirds (2/3) vote of its governing body upon the privilege of occupancy in any hotel located within the city of each transient in an amount not to exceed five percent (5%) of the consideration charged by the operator. All proceeds received by the city from such tax shall be dedicated solely for economic development, including but not limited to, tourism development. The ordinance shall set forth the manner of collection and administration of the privilege tax.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.