



County Technical Assistance Service  
INSTITUTE for PUBLIC SERVICE

March 31, 2025

---

# Chapter XI - Taxation

---

Dear Reader:

The following document was created from the CTAS website ([ctas.tennessee.edu](http://ctas.tennessee.edu)). This website is maintained by CTAS staff and seeks to represent the most current information regarding issues relative to Tennessee county government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

The University of Tennessee  
County Technical Assistance Service  
226 Anne Dallas Dudley Boulevard, Suite 400  
Nashville, Tennessee 37219  
615.532.3555 phone  
615.532.3699 fax  
[www.ctas.tennessee.edu](http://www.ctas.tennessee.edu)

<b>Chapter XI - Taxation .....</b>	<b>. 3</b>
<b>Assessor of Property .....</b>	<b>. 3</b>
<b>Office .....</b>	<b>. 3</b>
<b>Private Acts of 1939 Chapter 519 .....</b>	<b>. 3</b>
<b>Hotel/Motel Tax .....</b>	<b>. 3</b>
<b>Private Acts of 2006 Chapter 113 .....</b>	<b>. 3</b>
<b>Litigation Tax .....</b>	<b>. 5</b>
<b>Private Acts of 1981 Chapter 93 .....</b>	<b>. 5</b>
<b>Taxation - Historical Notes .....</b>	<b>. 6</b>

# Chapter XI - Taxation

## Assessor of Property

### Office

#### Private Acts of 1939 Chapter 519

**SECTION 1.** That it shall be the duty of Tax Assessors in all counties in the State of Tennessee with a population of not less than 13,600 nor more than 13,610, according to the Federal Census of 1930, or any subsequent Federal Census, to maintain and keep open an office during reasonable business hours at the courthouse, or at some convenient place in the county seat, at which office either the Tax Assessor or a deputy capable of discharging the duties of such office of Tax Assessor shall be on hand during office hours for the purpose of discharging the duties of the office. Office space shall be provided by the county, and it is hereby declared to be the duty of the Quarterly County Courts of such counties to provide adequate office space for the Tax Assessors of such counties.

**SECTION 2.** That all tax or assessment books in such counties shall be kept in the office of the County Tax Assessor at the county seat during business hours, except when same are in use in making assessments, or in making up the tax books.

**SECTION 3.** That said County Tax Assessors shall from time to time examine the current Deed Books in the office of the County Registers of such counties and shall ascertain from such Deed Books and enroll in a book or books to be kept by him in his office, the following facts to be ascertained by him from an examination of the deeds recorded in such Deed Books, to-wit:

- (1) The names of the grantors or vendors and of the purchasers in each deed;
- (2) The district in which the land conveyed by each deed is situated;
- (3) The boundaries of the land and the number of acres conveyed in each deed; and
- (4) The consideration or purchase price for the land as stated in each deed.

When such County Tax Assessors make their next assessment of real estate, after ascertaining such information from an examination of the deed books in the Register's Office, they shall use such information in connection with their assessment of the real estate covered by such deeds.

**SECTION 4.** That it shall be the duty of the Tax Assessor in such counties, in person or by deputy, to go on the premises and examine all realty to be assessed, and for failure to do so he shall be subject to a fine of not less than \$5.00 nor more than \$10.00 in each case. It shall further be the duty of such Tax Assessor to perform the other duties imposed by Section 1357 of the 1932 Code of Tennessee, and all other duties imposed upon Tax Assessors by the general laws of Tennessee.

**SECTION 5.** That the compensation of the Tax Assessor in such counties shall be fixed by the Quarterly County Courts of such counties in an amount sufficient to pay such Tax Assessor adequately for his services and his necessary expenses in making assessments in said counties, in no event to exceed the compensation now paid.

**SECTION 6.** That all laws and parts of laws in conflict with the provisions hereof be and the same are hereby repealed.

**SECTION 7.** That this Act shall take effect from and after its passage, the public welfare requiring it.

Passed: March 2, 1939.

### Hotel/Motel Tax

#### Private Acts of 2006 Chapter 113

**SECTION 1.** For the purpose of this act:

- (a) "Clerk" means the county clerk of Morgan County, Tennessee.
- (b) "Consideration" means the consideration charged, whether or not received, for the occupancy in a hotel valued in money whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits, property and services of any kind or nature without any deduction therefrom whatsoever. Nothing in this definition shall be construed to imply that consideration is charged

when the space provided to the person is complimentary from the operator and no consideration is charged to or received from any person.

(c) "County" means Morgan County, Tennessee.

(d) "Hotel" means any structure or space, or any portion thereof, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist camp, tourist court, tourist cabin, bed & breakfast, recreational vehicle park, campground, motel or any place in which rooms, lodgings or accommodations are furnished to transients for a consideration.

(e) "Occupancy" means the use or possession, or the right to the use or possession of any room, lodgings or accommodations in any hotel.

(f) "Person" means an individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, governmental unit other than the United States or any of its agencies, or any other group or combination acting as a unit.

(g) "Transient" means any person who exercises occupancy or is entitled to occupancy for any rooms, lodgings or accommodations in a hotel for a period of less than thirty (30) continuous days.

(h) "Operator" means the person operating the hotel, whether as owner, lessee or otherwise, and shall include governmental entities.

**SECTION 2.** Morgan County is authorized to levy a privilege tax upon the privilege of occupancy in any hotel of each transient, in the amount of five percent (5%) of the rate charged by the operator. The tax imposed is a privilege tax upon the transient occupying such room or other accommodation and is to be collected and distributed as herein provided. Such tax shall be in addition to all other taxes levied or authorized to be levied whether in the form of excise, license, or privilege taxes, and shall be in addition to all other fees and taxes now levied or authorized to be levied.

**SECTION 3.** The proceeds received by the county from the tax shall be designated and used for:

(1) One hundred percent (100%) for the promotion and support of tourism in the county.

**SECTION 4.**

(a) Such tax shall be added by each and every operator to each invoice prepared by the operator for the occupancy of his or her hotel and to be given directly or transmitted to the transient and shall be collected by such operator from the transient and transmitted to Morgan County.

(b) When a person has maintained occupancy for thirty (30) continuous days, that person shall receive from the operator a refund or credit for the tax previously collected from or charged to him or her, and the operator shall receive credit for the amount of such tax if previously paid or reported to the county.

**SECTION 5.**

(a) The tax levied shall be remitted by all operators who lease, rent or charge for any rooms or spaces in hotels within the county, to the county clerk or such other officer as may by resolution be charged with the duty of collection thereof, said tax to be remitted to such officer no later than the twentieth (20th) day of each month for the preceding month. The operator is hereby required to collect said tax from the transient at the time of the presentation of the invoice for occupancy whether prior to, during or after the occupancy, as may be the custom of the operator, and if credit is granted by the operator to the transient, then the obligation to the county entitled to such tax shall be that of the operator.

(b) For the purpose of compensating the operator in accounting for remitting the tax levied by these sections, the operator shall be allowed two percent (2%) of the amount of tax due and accounted for and remitted to the clerk in the form of a deduction when such operator is submitting his or her report and paying the amount due by such operator, provided, the amount due was not delinquent at the time of payment.

**SECTION 6.**

(a) The clerk or other authorized collector of the tax shall be responsible for the collection of said tax and shall place the proceeds of such tax in accounts for the purposes stated herein. A monthly tax return shall be filed under oath with the clerk by the operator with such number of copies thereof as the clerk may reasonably require for the collection of such tax. The report of the operator shall include such facts and information as may be deemed reasonable for the verification of the tax due. The form of such report shall be developed by the clerk and approved by the county legislative

body prior to use. The clerk shall audit each operator in the county at least once per year and shall report on the audits made on a quarterly basis to the county legislative body.

(b) The county legislative body is hereby authorized to adopt resolutions to provide reasonable rules and regulations for the implementation of the provisions of this act, including the form for such reports.

**SECTION 7.** No operator of a hotel shall advertise or state in any manner, whether directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the operator or that it will not be added to the rent, or that if added, any part will be refunded.

**SECTION 8.** Taxes collected by an operator which are not remitted to the county clerk on or before the due dates shall be delinquent. An operator shall be liable for interest on such delinquent taxes from the due date at the rate of twelve percent (12%) per annum, and in addition for a penalty of one percent (1%) for each month or fraction thereof such taxes are delinquent. Such interest and penalty shall become a part of the tax therein required to be remitted. Each occurrence of willful refusal of an operator to collect or remit the tax or willful refusal of a transient to pay the tax imposed is hereby declared to be unlawful and shall constitute a misdemeanor punishable upon conviction of a fine not in excess of fifty dollars (\$50.00).

**SECTION 9.** It shall be the duty of every operator liable for the collection and payment to the county of any tax imposed by this act to keep and preserve for a period of three (3) years all records as may be necessary to determine the amount of such tax as he or she may have been liable for the collection of and payment to the county, which records the county clerk may have the right to inspect at all reasonable times.

**SECTION 10.**

(a) The county clerk, in administering and enforcing the provisions of this act, shall have as additional powers, those powers and duties with respect to collecting taxes as provided in Tennessee Code Annotated, Title 67, or otherwise provided by law for the county clerks.

(b) For his or her services in administering and enforcing the provisions of this act, the county clerk shall be entitled to retain a commission of five percent (5%) of the taxes so collected.

(c) Upon any claim of illegal assessment and collection, the taxpayer shall have the remedies provided by Tennessee Code Annotated, Title 67, it being the intent of this act that the provisions of law which apply to the recovery of state taxes illegally assessed and collected under the authority of this act; and provided further, the county clerk shall possess those powers and duties as provided in Tennessee Code Annotated, Section 67-1- 707, for county clerks.

(d) With respect to the adjustment and settlement with the taxpayers, all errors of county taxes collected by the county clerk under the authority of this act shall be refunded by the county clerk.

(e) Notice of any tax paid under protest shall be given to the county clerk, and the resolution authorizing levy of the tax shall designate a county officer against whom suit may be brought for recovery.

**SECTION 11.** The proceeds of the tax authorized by this act shall be allocated to and placed in the general fund of Morgan County to be used for the purposes stated in Section 3 of this act.

**SECTION 12.** If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

**SECTION 13.** This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the county legislative body of Morgan County. Its approval or non-approval shall be proclaimed by the presiding officer of the county legislative body and certified by the presiding officer of the county legislative body to the secretary of state.

**SECTION 14.** For the purpose of approving or rejecting the provisions of this act, it shall become effective upon becoming a law, the public welfare requiring it. For all other purposes, it shall become effective upon being approved as provided in Section 13.

Passed: May 27, 2006

## Litigation Tax

## Private Acts of 1981 Chapter 93

**SECTION 1.** There is hereby imposed a litigation tax on the privilege of litigating a civil or criminal action in any of the following courts in Morgan County: Circuit Court, Chancery Court, Criminal Court, monthly County Court, General Sessions Court, Domestic Relations Court, Juvenile Court, or any other Court of Morgan County. The litigation tax shall be levied on each case filed in the courts of Morgan County in the amount of three dollars and fifty cents (\$3.50), to be assessed and collected as part of the costs of the cause.

The term "case" shall include ex parte as well as adversary or contested proceedings.

**SECTION 2.** The litigation taxes provided in Section 1 shall be collected by the clerks of the respective courts in which the cases are filed. Each of the clerks shall be accountable for and shall pay over the revenue to the county Trustee quarterly, not later than the tenth (10th) of the month immediately following the end of the quarter in which such collections are made.

**SECTION 3.** The Trustee shall deposit the taxes herein collected in the Morgan County Debt Service Fund. Such fund shall be subject to appropriations by the county legislative body.

**SECTION 4.** If any provision of this Act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to that end the provisions of this Act are declared to be severable.

**SECTION 5.** This Act shall have no effect unless it is approved by a two-thirds ( $\frac{2}{3}$ ) vote of the county legislative body of Morgan County before October 1, 1981. Its approval or nonapproval shall be proclaimed by the presiding officer of the county legislative body and certified by him to the Secretary of State.

**SECTION 6.** For the purpose of approving or rejecting the provisions of this Act, it shall be effective upon becoming a law, the public welfare requiring it. For all other purposes, it shall become effective upon being approved as provided in Section 5.

PASSED: April 16, 1981.

## Taxation - Historical Notes

### Assessor of Property

The following acts were superseded, repealed or failed to win local ratification, but they are listed here as a reference to laws which once affected the Morgan County Assessor. Also referenced below are acts which repeal prior law without providing new substantive provisions.

1. Public Acts of 1927, Chapter 15, amended Acts of 1907, Chapter 602, which was the General Assessment Law for the state, by changing the month in which interest would accrue upon the payment of taxes from March to May. Morgan County, however, was exempted from the provisions of Chapter 15. Private Acts of 1927, Chapter 227, duplicated the provisions of Public Acts of 1927, Chapter 15.
2. Private Acts of 1929, Chapter 888, set the compensation of the Morgan County Tax Assessor at \$1,500 per annum. This act was amended by Private Acts of 1931, Chapter 620, to reduce the tax assessor's salary to \$1,200 per annum.
3. Private Acts of 1933, Chapter 474, allowed the tax assessor of Morgan County an additional 60 days in which to complete his assessments.
4. Private Acts of 1949, Chapter 181, increased the compensation of the Morgan County Tax Assessor to \$1,800 per annum.
5. Private Acts of 1957, Chapter 374, would have set the compensation of the Morgan County Tax Assessor at \$1,800 per annum for the performance of his ex officio duties, however, this act was not ratified by Morgan County and thus did not become law.

### Taxation

The following is a listing of acts pertaining to taxation in Morgan County which are no longer effective. Also referenced below are acts which repeal prior law without providing new substantive provisions.

1. Public Acts of 1870-71, Chapter 50, exempted Morgan County from the enforcement of article 2, section 29 of the Tennessee Constitution, which authorized several counties and incorporated towns in the state to impose taxes for county and corporation purposes.
2. Private Acts of 1917, Chapter 304, created a board of pike road and public road commissioners to establish and maintain the pike roads and all public roads in Morgan County. This act also defined the duties of said board and provided for the raising of revenues to maintain the roads. This act

was subsequently amended by Private Acts of 1919, Chapter 367, to define the duties of the commissioners charged with overseeing the use of the moneys collected.

3. Private Acts of 1927, Chapter 100, validated a tax levy of 22¢ on each \$100.00 worth of taxable property in Morgan County for the year 1926, for the purpose of raising revenues with which to pay for rights-of-way by said county for a state and federal aid highway which was constructed north and south through and across the county.
4. Private Acts of 1927, Chapter 459, provided a fund for Morgan County that was designated for school replacement purposes. This act also provided for the handling and disbursement of same.
5. Private Acts of 1929, Chapter 71, validated a tax levy of 15¢ on each \$100.00 worth of taxable property in Morgan County for the year 1926, for the purpose of raising revenues with which to pay for rights-of-way by said county for a state and federal aid highway which was constructed north and south through and across the county.
6. Private Acts of 1931, Chapter 152, authorized the quarterly court of Morgan County to annually levy and provide for the collection of a tax for the support of the poor, lunatics and idiots in a sum not to exceed 7¢ on each \$100 of taxable property in the county.
7. Private Acts of 1931, Chapter 612, provided that Morgan County levy a tax for county purposes in amount not to exceed 30¢.
8. Private Acts of 1939, Chapter 581, authorized the Morgan County Quarterly Court to impose and collect a tax levy of 50¢ on each \$100 of assessed valuation to pay off the county's outstanding warrants, notes, judgments and other indebtedness.

---

**Source URL:** <https://www.ctas.tennessee.edu/private-acts/chapter-xi-taxation-41>