



County Technical Assistance Service
INSTITUTE *for* PUBLIC SERVICE

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Amusement Tax

Dear Reader:

The following document was created from the CTAS website (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

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Amusement Tax

Private Acts of 1949 Chapter 420

SECTION 1. That:

DEFINITIONS

As used in this Act, "persons" includes individuals, firms, partnerships, associations, corporations and municipalities; "admission" includes seats and tables, standing room and other similar accommodations for which charges are made, as a condition of the use thereof; "Collector" includes, in the case of Counties, the County Court Clerk and any Deputy County Court Clerk; and in the case of towns and cities any Recorder or other official charged with the duties of municipal tax collection.

SEC. 2. That, for the purpose of providing additional County revenue for counties and towns to which this Act applies, and of defraying the expenses of administering this Act, there is hereby levied in all Counties of this State having a population of not less than 24,270, or more than 24,280, according to the Federal Census of 1940, or any subsequent Federal Census, a tax of one (1¢) cent, for each fifteen (15¢) cents or major fraction thereof, on the amount paid for admission to any place of amusement, including admission by season ticket or subscription. Provided, however, that in case the amount paid for admission is less than eight (8¢) cents, no tax is imposed; and provided further, in case of free admission for any purposes, no tax is imposed.

In the computation of the tax levied hereby, any admission or ticket tax paid to any other governmental unit shall be excluded from the charge for admission in determining the applicability or amount of the tax levied hereunder.

SEC. 3. That no tax shall be levied under this Act with respect to any admissions all the proceeds of which inure (1) exclusively to the benefit of any religious, charitable or educational organization or institution, if no part of the proceeds inure to the benefit of any promoter or producer thereof; (2) if all the proceeds inure exclusively to the maintenance of agricultural fairs, if no part of the net earnings thereof inures to the benefit of any private individual, producer or promoter of the same; provided, however, that this exemption does not include the exemption of admission to midways, carnivals or like private enterprises operated in connection therewith.

SEC. 4. That every person receiving any payment for admission, entrance charges, fees or otherwise, which is taxable under this Act, shall collect from the purchaser thereof the tax imposed by this Act, and hold same in a separate fund until paid to the tax collector. Every such person or organization shall, on or before the 10th day of each calendar month, make a return in duplicate, under oath, to the tax collector, showing the number of taxable admissions, entrance fees or otherwise, issued and disposed of, during the preceding calendar month, and such other facts and information as the tax collector may reasonably require for the verification of the amount of taxes due therefor.

Every person making such return shall at the time of making the return pay the amount of taxes shown thereby to the tax collector.

If the tax imposed by this Act is not paid when due, there shall be added as a part of the tax, interest and penalty at the rate of two (2%) per cent per month, from the time the tax became due and until paid.

For the purpose of enforcing the payment of the tax due hereunder the tax collector is hereby given and may avail himself of the process of distraint, as provided in case of other tax delinquents.

SEC. 5. That, whenever any place of amusement, for the admission to which a tax is due and payable hereunder, is located and conducted within the limits of an incorporated municipality in the counties to which this Act applies, the tax hereby levied shall be for the benefit of and paid to the municipality; and whenever such place of amusement is located and conducted outside of the limits of any incorporated Town in the counties to which this Act applies, the tax levied shall be for the benefit of and paid to the county. The monies so received into the treasuries of the County or Municipality hereunder shall be credited to the general revenue fund of such town or county, and be available for appropriation by the proper authority to the expenses of administering this Act or any other public purpose.

SEC. 6. That any person or organization charged with the collection of the tax herein levied, who fails to collect the same, shall be liable for the full amount of the tax which he should have collected.

The taxes imposed by this Act shall be a lien upon the property of any person or organization required to collect and pay same to the Counties and Municipalities hereunder.

The lien hereby affixed shall be enforceable by the tax collectors in the same manner as other tax liens.

The collectors of the tax hereunder are expressly authorized, if not satisfied with the correctness of any return, report or payment hereunder, to make an investigation of the books and records of any person charged with the collection of the tax hereunder and of any other matter pertinent thereto, and upon the discovery of any discrepancy, are authorized to make a deficiency assessment against any person required to collect and pay the tax hereunder, which deficiency assessments shall be accompanied by a ten (10%) percent penalty assessment. Any such deficiency assessments are collectable and secured as are other taxes hereunder, and are due within ten (10) days after notice thereof is given or sent by registered mail to the person against whom such assessment shall have been made.

For the purpose of ascertaining the correctness of any report, return or payment hereunder, any person charged with the collection of the taxes levied hereby shall make all of his books, records and canceled ticket stubs available for inspection by the collectors at all reasonable times.

SEC. 7. That any person charged by this Act with the duty of collecting or paying the taxes hereby imposed, who willfully fails or refuses to charge and collect or to pay such taxes, or to make the reports and returns required hereunder, or to permit the tax collector or his duly authorized agent to examine his books and other records for the purpose of verifying any return or report or payment pursuant to this Act, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not less than Ten (\$10.00) Dollars, nor more than One Hundred (\$100.00) Dollars.

SEC. 8. That any County or Municipality to which this Act applies may exempt itself from the benefits of this Act by proper action taken by the governing bodies of said counties or municipalities.

SEC. 9. That the provisions of this Act are hereby declared to be severable. If any of its sections, provisions, exceptions, sentences, clauses, phrases or parts be held unconstitutional or void, or so held, as applied to any person then the remainder of this Act shall continue in full force and effect, it being the legislative intent hereby now declared, that this Act would have been adopted, even if such unconstitutional or void matter had not been included therein.

SEC. 10. That all laws and parts of laws in conflict with this Act be and the same are hereby repealed, and this Act shall take effect from and after its passage, the public welfare requiring it, but no tax levied hereunder shall be due or payable until May 1, 1949.

Passed: March 30, 1949.

Source URL: <https://www.ctas.tennessee.edu/private-acts/amusement-tax-1>