



March 31, 2025

Beer 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,

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Beer Tax

Private Acts of 1949 Chapter 423

SECTION 1. That, for the purpose of providing additional county and municipal revenue for the 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 nor more than 24,280, according to the Federal Census of 1940 or any subsequent Federal Census, a tax of five (5%) per cent on the amount paid for beer sold at retail in said Counties or Municipalities.

This privilege tax shall also apply to sales made by wholesale dealers in case lots to be consumed by the purchaser, and all sales of beer, except sales made by wholesalers to retailers of beer for re-sale.

SEC. 2. That the term "beer" as used in this Act shall include beer and all other beverages of like content, as defined by the provisions of Chapter 69, Private Acts of Tennessee for the year 1933, as amended by Chapter 170, Public Acts of Tennessee, for the year 1935.

The term "person" as used in this Act shall include individuals, partnerships, corporations and associations.

The term "Tax Collector" includes, in case of Counties, the County Court Clerk, and any Deputy County Court Clerk; and in the case of towns or cities any Recorder or other official charged with the duties of municipal tax collection.

SEC. 3. That every person selling beer at retail shall collect from the purchaser thereof the tax imposed by this Act, and hold same in a special fund until paid to the tax collector. Every such person or organization shall, on or before the 10th of each calendar month, make a return, in duplicate, under oath, to the tax collector, showing the amount of tax collected during the preceding calendar month, together with such other facts and information as a tax collector may reasonably require for the verification of the taxes due. Said return shall be made on a form provided by the County or Municipality.

Every person making a return shall at the time of making same pay the amount of tax 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 of two (2%) per cent per month from the time the tax becomes due until paid.

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

SEC. 4. That, whenever a place of business of the taxpayer 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 business 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 money so received into the treasuries of the Counties or Municipalities hereunder shall be credited to the General Revenue Fund of such town, city or county, and be available for appropriation by the proper authorities to the expense of administering this Act, or any other public purpose.

SEC. 5. That any person and 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 tax 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 discovery of any discrepancy, are authorized to make a deficiency assessment against any person required to collect and pay the tax hereunder. Each deficiency assessment shall be accompanied by a ten (10%) percent penalty assessment. Any such deficiency assessment is collectible and secured as are other taxes hereunder and is 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 tax levied hereby shall make all of his books, records and invoices available for inspection by the collectors at all reasonable times, and shall keep all invoices and records of sales and purchases of beer for a period of not less than two (2) years, unless sooner authorized to destroy them by the tax collector.

SEC. 6. That any person charged by this Act with the duty of collecting or paying the tax hereby imposed, who willfully fails or refuses to charge and collect, or to pay such tax, or to make the report 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 for each offense.

SEC. 7. That it shall be lawful for the beverage beer to be sold in the counties and municipalities to which this Act applies, from 6 a.m. until 12 o'clock midnight, provided, however, that no such beverage shall be sold between the hours of 12 o'clock midnight on Saturday and 6 o'clock a.m. on Monday; and no sale shall be made on the day on which an election is being held in the counties or municipalities to which this Act applies. Any person violating the provisions of this section shall be guilty of a misdemeanor and shall be subject to a fine of not less than Five (\$5.00) Dollars, nor more than Fifty (\$50.00) Dollars.

SEC. 8. 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 1st, 1949.

Passed: March 30, 1949.

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