



County Technical Assistance Service  
INSTITUTE for PUBLIC SERVICE

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## Chapter XI - Taxation

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Dear Reader:

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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.

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<b>Chapter XI - Taxation .....</b>	<b>3</b>
<b>Adequate Facilities Tax .....</b>	<b>3</b>
<b>Private Acts of 2001 Chapter 22 .....</b>	<b>3</b>
<b>Assessor of Property .....</b>	<b>6</b>
<b>Recordation of Deeds .....</b>	<b>6</b>
<b>Private Acts of 1961 Chapter 306 .....</b>	<b>6</b>
<b>General Purpose Tax .....</b>	<b>6</b>
<b>Private Acts of 1929 Chapter 873 .....</b>	<b>6</b>
<b>Hotel - Motel Tax .....</b>	<b>7</b>
<b>Private Acts of 1993 Chapter 30 .....</b>	<b>7</b>
<b>Litigation Tax .....</b>	<b>9</b>
<b>Private Acts of 1983 Chapter 58 .....</b>	<b>9</b>
<b>Motor Vehicle Tax .....</b>	<b>9</b>
<b>Private Acts of 1979 Chapter 73 .....</b>	<b>9</b>
<b>Taxation - Historical Notes .....</b>	<b>11</b>

# Chapter XI - Taxation

## Adequate Facilities Tax

### Private Acts of 2001 Chapter 22

WHEREAS, Marshall County, Tennessee, is experiencing considerable growth in population and need for services and public facilities; and

WHEREAS, Marshall County is in need of additional revenue with which to fund its capital improvement program to meet the needs of its growing citizenry; and

WHEREAS, a privilege tax on new development is a fair and equitable way to raise funds to meet the demand for additional public facilities; now, therefore,

**SECTION 1.** This act shall be known and cited as the "Marshall County Adequate Facilities Tax".

**SECTION 2.** As used in this act, unless a different meaning appears from the context:

(1) "Board of adjustments and appeals" means the board established in Marshall County pursuant to the requirements of the Southern Standard Building Code Congress.

(2) "Building" means any structure built for the support, shelter, or enclosure of persons, chattels, or movable property of any kind; the term includes a mobile home. "Building" does not mean any structures used primarily for agricultural purposes.

(3) "Building permit" means a permit for development issued in Marshall County, whether by the county or by any city therein.

(4) "Capital improvement program" means a proposed schedule of future projects, listed in order of construction priority, together with cost estimates and the anticipated means of financing each project. All major projects requiring the expenditure of public funds, over and above the annual local government operating expenses, for the purchase, construction, or replacement of the physical assets of the community are included.

(5) "Certificate of occupancy" means a license issued for occupancy of a building or structure in Marshall County, whether by the county or by any city therein.

(6) "Commercial" means the development of any property for commercial use, except as may be exempted by this act.

(7) "Development" means the construction, building, erection, or improvement to land providing a new building or structure, which provides floor area for residential or commercial use.

(8) "Dwelling unit" means a room, or rooms connected together, constituting a separate, independent housekeeping establishment for owner occupancy, rental or lease on a daily, weekly, monthly or longer basis; physically separated from any other room(s) or dwelling units which may be in the same structure; and containing independent cooking and sleeping facilities.

(9)

(A) "Floor area" for non-residential development means the total of the gross horizontal area of all floors, including usable basement and cellars, below the roof and within the outer surface of the main walls of principal or accessory buildings or the center lines of party walls separating such buildings or portions thereof, or within lines drawn parallel to and two (2) feet within the roof line of any building or portions thereof without walls, but excluding in the case of non-residential facilities: arcades, porticoes, and similar open areas which are accessible to the general public, and which are not designed or used as sales, display, storage, service, or production areas.

(B) "Floor area" for residential development means the total of the gross horizontal area of all floors, including basements, cellars, or attics which is heated and/or air-conditioned living space, or designed to be finished into heated and/or air-conditioned living space at a future date.

(10) "General plan" means the official statement of the planning commission which sets forth major policies concerning future development of the jurisdictional area and meeting the provisions set forth in Tennessee Code Annotated, Sections 13-3-301, 13-3-302, and 13-4-102. For purposes of this act only, a general plan may consist solely of the land development plan element, which sets

out a plan or scheme of future land usage.

(11) "Governing body" means the county commission of Marshall County, Tennessee.

(12) "Major Street or road plan" means the plan adopted by the planning commission, pursuant to Tennessee Code Annotated, Sections 13-3-402 and 13-4-302, showing, among other things, the general location, character, and extent of public ways and the removal, relocation, extension, widening, narrowing, vacating, abandonment or change of use of existing public ways.

(13) "Non-residential" means the development of any property for any use other than residential use, except as may be exempted by this act.

(14) "Person" means any individual, firm, co-partnership, joint venture, association, corporation, estate, trust, business trust, receiver, syndicate, or other group or combination acting as a unit, and the plural as well as the singular number.

(15) "Place of worship" means that portion of a building, owned by a religious institution which has tax-exempt status, which is used for worship services and related functions; provided, however, that a place of worship does not include buildings or portions of buildings which are used for purposes other than worship and related functions or which are intended to be leased, rented or used by persons who do not have tax-exempt status.

(16) "Public buildings" means a building owned by the state of Tennessee or any agency thereof, a political subdivision of the state of Tennessee, including, but not necessarily limited to, counties, cities, school districts and special districts, or the federal government or any agency thereof.

(17) "Public facility or facilities" means a physical improvement undertaken by the county or city, including, but not limited to, the following: roads and bridges, parks and recreational facilities, jails and law enforcement facilities, schools, libraries, government buildings, fire stations, sanitary landfills, water, wastewater and drainage projects, airport facilities and other governmental capital improvements benefiting the citizens of the county and/or city.

(18) "Residential" means the development of any property for a dwelling unit or units.

(19) "Subdivision regulations" means the regulations adopted by the Marshall County regional planning commission pursuant to state statutory authorization on October, 1968, as amended, by which the county regulates the subdivision of land.

(20) "Zoning resolution" means the resolution adopted by the governing body pursuant to state statutory authorization on September 18, 1989, as amended by Chapter 22 of the Private Acts of 1989 and Chapter 173 of the Private Acts of 1990, by which the county regulates the zoning, use and development of property.

As amended by: Private Acts of 2007, Chapter 61

**SECTION 3.** It is the intent and purpose of this act to authorize Marshall County to impose a tax on new development in the county payable at the time of issuance of a building permit or certificate of occupancy so as to ensure and require that the persons responsible for new development share in the burdens of growth by paying their fair share for the cost of new and expanded public facilities made necessary by such development.

**SECTION 4.** Engaging in the act of new development within Marshall County, except as provided in Section 6 herein, is declared to be a privilege upon which Marshall County may, by resolution of the governing body, levy a tax in an amount not to exceed the rate set forth in Section 7.

**SECTION 5.** The governing body shall, by resolution, adopt administrative guidelines, procedures, regulations and forms necessary to properly implement, administer and enforce the provisions of this act.

**SECTION 6.** This act shall not apply to development of:

- (1) Public buildings;
- (2) Places of worship;
- (3) Barns or outbuildings used for agricultural purposes;
- (4) Replacement structures for previously existing structures destroyed by fire or other disaster; or
- (5) A structure owned by a nonprofit corporation which is a qualified 501(c)(3) corporation under the Internal Revenue Code.

**SECTION 7.** For the exercise of the privilege described herein, Marshall County may impose a tax on new development not to exceed one dollar (\$1.00) per gross square foot of new residential or commercial development. The county may develop a tax rate schedule by which residential and commercial users are classified by type for the purpose of imposition of the tax authorized herein.

**SECTION 8.** The tax established in this act shall be collected at the time of application for a building permit for development as herein defined or, if a building permit is not required, at the time of application for a certificate of occupancy from the county or city official duly authorized in such jurisdiction to issue building permits or certificates of occupancy. The revenue collected from this tax shall be collected by the county building official or other responsible official, and the proceeds deposited with the county trustee and used exclusively for capital projects, including, but not limited to, debt service related to such improvements or projects, in the general fund, school fund, special revenue funds, debt service fund or other capital projects funds as designated by resolution of the board of county commissioners of Marshall County. No building permit for development as herein defined, or certificate of occupancy if no building permit is required, shall be issued in Marshall County unless the tax has been paid in full to the county.

**SECTION 9.** The authority to impose this privilege tax on new development in Marshall County is in addition to all other authority to impose taxes, fees, assessments, or other revenue raising or land development regulatory measures granted either by the private or public acts of the state of Tennessee and the imposition of such tax, in addition to any other authorized tax, fee, assessment or charge, shall not be deemed to constitute double taxation.

### **SECTION 10**

(a) Any person aggrieved by the decision of the county building official or other responsible official concerning any aspect of this act may obtain review of the official's decision in the following manner:

- (1) By payment of the disputed amount to Marshall County and by notifying the official that the payment is made under protest; and
- (2) By requesting an appeal of the decision of the official in written form within ten (10) days of the protest and payment.

(b) The Marshall County board of adjustments and appeals shall hear appeals. Hearing shall be scheduled within thirty (30) days of the written request for appeal.

(c) The board of adjustments and appeals shall render a decision on all hearings within thirty (30) days of the hearing date, unless the hearing is continued from time to time by a majority vote of the board for further information.

(d) The board of adjustments and appeals shall act as a quasi-judicial body whose purpose is to determine that intent of this act, its applicability to the appellant, and to rule upon the interpretation of the official. The board will not be bound by formal rules of evidence applicable to the various courts of the state.

(e) Hearings before the board shall proceed as follows:

- (1) The county building official shall explain his ruling and the reasons for his ruling.
- (2) The appellant shall explain his reasons for protesting the ruling.
- (3) The board may request further information from any county official, including, but not limited to, the county executive, county commissioners, committee members, the county attorney, or the county planning staff. The board will not have the power to subpoena.
- (4) The board will deliberate and render a decision by a majority vote. Decisions will be reduced to writing and copies shall be sent to all parties and shall become a part of the minutes of the board. Decisions of the Marshall County Board of Adjustments and Appeals shall be final, except that either the building official, or the person aggrieved, may seek review of the board's action by certiorari and supersedeas to the chancery court of Marshall County, Tennessee, provided that an application to the court is made within sixty (60) days of the written decision of the board.

**SECTION 11.** All taxes/funds collected under the provisions of this act shall be used for the purpose of providing public facilities, the need for which is reasonably related to new development.

**SECTION 12.** The provisions of this act shall in no manner repeal, modify, or interfere with the authority granted by any other public or private law applicable to Marshall County.

This act shall be deemed to create an additional and alternative method for Marshall County to impose and collect taxes for the purpose of providing public facilities made necessary by new development in the county.

**SECTION 13.** 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 14.** This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the county legislative body of Marshall County before December 1, 2001. Its approval or nonapproval shall be proclaimed by the presiding officer of the county legislative body and certified by such officer to the Secretary of State.

**SECTION 15.** 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 as provided in Section 14.

Passed: March 29, 2001

## Assessor of Property

## Recordation of Deeds

## Private Acts of 1961 Chapter 306

**SECTION 1.** That in all counties of this State having a population of not less than 16,751 nor more than 16,950 according to the Federal Census of 1960 or any subsequent Federal Census, before any person in Counties to which this Act is applicable, may have recorded any deed conveying in fee the title to any real estate, such person must first present such instrument to the County Tax Assessor, who shall list in a well bound book the following data: The name of the seller, the name of the purchaser, the consideration paid, the Civil District in which such property is located and a description of each tract of land so conveyed, by reference to the adjoining land owners or such other description as may designate said property. As evidence of the fact that the provisions of this section have been complied with, the County Tax Assessor shall place on the margin or the back of each deed, a stamp or his signature.

**SECTION 2.** That the County Registers in the counties to which this Act may be applicable are expressly forbidden to record deeds conveying in fee the title to any real estate until such instruments have been presented to the County Tax Assessor and his stamp or signature has been placed thereon, indicating the provisions of this Act have been complied with.

**SECTION 3.** That provided at any time the Tax Assessor or his Deputy should not be available, in that event the Register may receive and note such instruments, but it shall not be recorded until the provisions of this Act shall have been complied with.

**SECTION 4.** That all laws or parts of laws in conflict with this Act are hereby repealed.

**SECTION 5.** That this Act shall have no effect unless the same shall have been approved by two-thirds vote of the Quarterly County Court of any County to which it may apply on or before the next regular meeting of such Quarterly County Court occurring more than thirty days after its approval by the Chief Executive of this State. Its approval or non-approval shall be proclaimed by the residing officer of the body having jurisdiction to approve or the reverse, and shall be certified by him to the Secretary of State.

**SECTION 6.** That this Act shall take effect for the purpose of validating the same as provided for in Section 5 above, from and after its passage, and for all other purposes ten days after its approval by the Quarterly County Court, having jurisdiction to approve or disapprove it, the public welfare requiring it.

Passed: March 15, 1961.

## General Purpose Tax

## Private Acts of 1929 Chapter 873

**SECTION 1.** That this Act shall apply to all counties of the State having a population of not less than 17,370, nor more than 17,380, according to the Federal Census of 1920, or any subsequent Federal Census.

**SECTION 2.** That any such county, acting by and through its Quarterly County Court, shall be and is hereby authorized to levy and collect annually for general county purposes a tax not to exceed Thirty-five Cents (35¢) on each One Hundred Dollars (\$100.00) of taxable property in such county, and this authority shall exist in the Quarterly County Court regardless of the amount of such taxes authorized to be levied and collected by the general revenue law of the State, or otherwise.

**SECTION 3.** That this Act shall take effect from and after its passage, the public welfare requiring it.

Passed: April 11, 1929.

**COMPILER'S NOTE:** The constitutionality of this statute was attacked but upheld by the Supreme Court in Nashville, Chattanooga and S&L Railroad v. Marshall County, 161 Tenn. 239, 30 S.W.2d 268 (1930).

## Hotel - Motel Tax

### Private Acts of 1993 Chapter 30

**SECTION 1.** As used in this act unless the context otherwise requires:

- (1) "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.
- (2) "Clerk" means the Trustee of Marshall County, Tennessee.
- (3) "County" means Marshall County, Tennessee.
- (4) "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, motel or any place in which rooms, lodgings or accommodations are furnished to transients for a consideration.
- (5) "Occupancy" means the use or possession, or the right to the use or possession, of any room, lodgings or accommodations in any hotel.
- (6) "Operator" means the person operating the hotel whether as owner, lessee or otherwise.
- (7) "Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.
- (8) "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.

As amended by: Private Acts of 2003, Chapter 8

**SECTION 2.** The legislative body of Marshall County is authorized to levy a privilege tax upon the privilege of occupancy in any hotel of each transient in the amount not to exceed seven percent (7%) of the rate charged by the operator. The amount of such tax shall be set from time to time by resolution of the county legislative body of Marshall County. Such tax is a privilege tax upon the transient occupying such room and is to be collected as provided in this act.

As amended by: Private Acts of 2005, Chapter 34

**SECTION 3.** The proceeds received by the county from the tax shall be retained by the county and deposited into the general fund of the county, to be designated and used for such purposes as specified by resolution of the county legislative body.

**SECTION 4.** Such tax shall be added by each and every operator to each invoice prepared by the operator for the occupancy of the hotel and given directly or transmitted to the transient. Such tax shall be collected by such operator from the transient and remitted to Marshall County.

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, 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 clerk or such other officer as may by resolution be charged with the duty of collection thereof, such tax to be remitted to such officer not later than the twentieth (20th) day of each month for the preceding month. The operator is required to collect the tax from the transient at the time of the presentation of the invoice for such 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 this act the operator shall be allowed two percent (2%) of the amount of the tax due and accounted for and remitted to the clerk in the form of a deduction in submitting his report and paying the amount

due by such operator, provided the amount due was not delinquent at the time of payment.

**SECTION 6.** The clerk or other authorized collector of the tax authorized by this act shall be responsible for the collection of such tax and shall place the proceeds of such tax in such 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 a year and shall report on the audits made on a quarterly basis to the county legislative body.

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.** (a) Taxes collected by an operator which are not remitted to the clerk on or before the due dates are delinquent. An operator shall be liable for interest on such delinquent taxes from the due date at the rate of twelve (12%) percent per annum, and shall be liable for an additional penalty of one (1%) percent for each month or fraction thereof such taxes are delinquent. Such interest and penalty shall become a part of the tax herein required to be remitted. Each occurrence of knowing or willful refusal of an operator to collect or remit the tax or knowing or willful refusal of a transient to pay the tax imposed is a violation of this act and shall be punishable by a civil penalty for each occurrence with said penalty to be imposed as state law allows. Each occurrence shall constitute a separate violation. As used in this section, "each occurrence" means each day.

(b) Nothing in this section shall be construed to prevent the clerk, or other authorized collector of the tax, from pursuing any civil remedy available to the collector by law, including issuing distress warrants and the seizure of assets, to collect any taxes due or delinquent under this act.

As amended by: Private Acts of 2004, Chapter 71

Private Acts of 2005, Chapter 34

**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 may have been liable for the collection of and payment to the county, which records the clerk shall have the right to inspect at all reasonable times.

**SECTION 10.** The 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 Title 67 of Tennessee Code Annotated or otherwise provided by law for the county clerks. For his services in administering and enforcing the provisions of this act, the clerk shall be entitled to retain as a commission five percent (5%) of the taxes collected.

Upon any claim of illegal assessment and collection, the taxpayer shall have the remedies provided in 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 shall also apply to the tax levied under the authority of this act. The provisions of Tennessee Code Annotated, Section 67-1-707, shall be applicable to adjustments and refunds of such tax.

With respect to the adjustment and settlement with taxpayers, all errors of county taxes collected by the clerk under authority of this act shall be refunded by the clerk. Notice of any tax paid under protest shall be given to the 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 (or other fund) of Marshall County to be used for the purposes stated in Section 3 of this act.

**SECTION 12.** The tax levied pursuant to the provisions of this act shall only apply in accordance with the provisions of Tennessee Code Annotated, Section 67-4-1425.

**SECTION 13.** 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 14.** This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the county legislative body of Lauderdale County. 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 15.** 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 14.

Passed: March 11, 1993

## Litigation Tax

### Private Acts of 1983 Chapter 58

**SECTION 1.** A litigation tax of five dollars (\$5.00) on all civil cases and fifteen dollars (\$15.00) on all criminal cases shall be levied and taxed as part of the costs in all actions filed in the General Sessions, Circuit, Chancery, and Probate Courts of Marshall County.

**SECTION 2.** The tax imposed herein shall be collected by the clerks of the respective courts and paid over to the trustee each month.

**SECTION 3.** Upon receipt of the tax imposed herein, the trustee shall deposit such funds as follows:

One-fourth ( $\frac{1}{4}$ ) to a fund to be used exclusively for the purpose of maintaining and/or improving the courthouse and other county-owned buildings.

Three-fourths ( $\frac{3}{4}$ ) to a fund to be used exclusively for law enforcement purposes.

**SECTION 4.** The Private Acts of 1967, Chapter 251, Private Acts of 1967-68, Chapter 386, and the Private Acts of 1971, Chapter 29, are hereby repealed.

**SECTION 5.** This Act shall have no effect unless it is approved by two-thirds ( $\frac{2}{3}$ ) vote of the county legislative body of Marshall County. Its approval or non-approval 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: March 31, 1983.

## Motor Vehicle Tax

### Private Acts of 1979 Chapter 73

**SECTION 1.** For the privilege of using the public roads and highways, except state maintained roads, in Marshall County, there is levied upon motor-driven vehicles and upon the privilege of the operation thereof, except farm tractors, self-propelled farm machines not usually used for operation upon public highways or roads, motorcycles under ten (10) horsepower and except all motor-driven vehicles owned by any governmental agency or governmental instrumentality, a special privilege tax for the benefit of the county, which tax shall be in addition to all other taxes, and shall be in the amount of fifty dollars (\$50.00) for each such motor-driven vehicle. This tax applies to, is a levy upon, and shall be paid on each motor-driven vehicle, the owner of which lives within, or who operates such motor-driven vehicle on, over, or upon the streets, roads, or highways of the county, state-maintained roads excluded.

As amended by: Private Acts of 1999, Chapter 58

**SECTION 2.** It shall be and is hereby declared to be unlawful for any owner of a vehicle to operate or allow to be operated any motor-driven vehicle over the streets, roads, or highways of the county, state-maintained roads excluded, without the payment of the tax herein provided having been made as herein required, prior to such operation thereof. Provided further, that nothing in this act shall be construed as permitting and authorizing the levy of and the collection of a tax against non-residents of the county to which this Act applies and to owners of such vehicles using the streets, roads, and highways of the county, who live or reside without the bounds of the county, but who do not come within the provisions of this Act, and within a reasonable construction of the provisions hereof.

**SECTION 3.** The privilege tax or wheel tax herein levied, when paid together with full, complete, and explicit performance of and compliance with all provisions of this Act, by the owner, shall entitle the owner of the motor-driven vehicle for which said tax was paid, and the decal or emblem (wheel tax sticker) referred to herein, shall be affixed for clear display on the lower right corner of the license plate, to operate this vehicle over the streets, roads, and highways of the county from November 1, 1978 of each year to the next succeeding year. When a motor-driven vehicle becomes taxable under the terms and

provisions of this Act, the proportionate reduction shall be made as to the cost of the privilege tax or wheel tax for new residents and will be charged quarterly on the balance of their wheel tax from date of residence until the time their state tag expires, to be paid into the hands of the clerk therefor, as is now made in issuance of the privilege tax payable to the State of Tennessee and collected by the clerk, under the provisions of the general laws of this State. Quarterly credit shall be given on unused portions of the wheel tax sticker for the purpose of upgrading their state tag. Replacement of any lost, stolen, or mutilated wheel tax sticker shall cost five dollars (\$5.00). It shall be and is hereby declared to be unlawful for any person to operate any motor-driven vehicle, taxable hereunder, over or upon the streets, roads, or highways of the county, or any municipality thereof, statemaintained roads excluded, without payment of this privilege tax levied hereunder and without full and complete compliance with all provisions hereof, which shall be enforceable by the Sheriff's Department of Marshall County, Tennessee. Any person violating any provision of this Act shall, upon conviction, be subject to a civil penalty not to exceed fifty dollars (\$50.00).

As amended by: Private Acts of 1999, Chapter 58

Private Acts of 2004, Chapter 93

**SECTION 4.** Residence in the county shall constitute prima facie evidence of use by such resident of roads and highways of the county, other than state-maintained roads, without regard to whether such resident resides within the boundaries of a municipal corporation within the county. Any person establishing a new residence within the county shall be allowed thirty (30) days thereafter within which to comply with the provisions of this Act.

**SECTION 5.** The tax levied under this chapter shall be collected for the tax year beginning September 1, 1999, and for every year thereafter.

The tax herein levied shall be paid to and collected by the County Clerk of Marshall County, who shall collect this tax at the same time he collects the state privilege tax levied upon the operation of a motor-driven vehicle over the public highways of this state. The clerk shall not issue to a resident of said county a state license for a motor-driven vehicle taxable hereunder unless, at the same time, such owner shall purchase the license or pay the privilege tax levied hereunder for the operation of each of his motor-driven vehicles under the provisions of this act.

Payment of the privilege tax imposed hereunder shall be evidenced by receipt issued in duplicate by the clerk, the original of which shall be kept by the owner, and a decal or emblem shall also be issued by the clerk, which shall be affixed for clear display to the vehicle. For his service in collecting the aforesaid tax and in issuing the receipt therefor and delivering the decal or emblem to the owner, the clerk shall be entitled to fifty cents (50¢) which shall be deducted from the amount of tax collected hereunder; this fee shall be in addition to any fee or commission allowed to the clerk under Tennessee Code Annotated, Section 8-21-701 (57).

The clerk shall pay the net proceeds from the tax imposed hereunder to the Marshall County Trustee, who shall distribute such proceeds on the following basis:

- (a) Forty dollars (\$40.00) of the proceeds of the tax herein imposed shall be used exclusively to retire the county school bond indebtedness.
- (b) Seven dollars and fifty cents (\$7.50) of the proceeds of the tax herein imposed shall be paid to the Highway Fund for general road purposes.
- (c) Two dollars and fifty cents (\$2.50) of the proceeds of the tax herein imposed shall be paid to the General Fund to fund the excessive cost of operating the Marshall County Jail.

The failure to affix the decal or emblem (wheel tax sticker) in the manner prescribed herein, shall constitute a violation of this Act.

The decal or emblem (wheel tax sticker) referred to herein, shall be affixed for clear display on the lower left (driver's) side of the rear window of vehicles with visible rear window, or on the lower left corner (driver's) side, of the windshield of vehicles having no clearly visible rear window, such as motorcycles, convertibles, and large trucks. The failure to affix the decal or emblem (wheel tax sticker), in the manner prescribed herein, shall constitute a violation of this act.

As amended by: Private Acts of 1982, Chapter 208

Private Acts of 1983, Chapter 27

Private Acts of 1999, Chapter 58

Private Acts of 2000, Chapter 93

**SECTION 6.** Except as provided in Section 1, there shall be no exemptions from compliance with the Motor Vehicle Privilege Tax as imposed by this act except as allowed by the general law of the state of Tennessee.

As amended by: Private Acts of 2004, Chapter 93

**SECTION 7.** For the purposes of approving or rejecting the provisions of this Act, it shall be effective upon becoming law, the public welfare requiring it. For all other purposes, it shall be effective upon being approved as provided by Section 6.

Passed: April 2, 1979

## 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 Marshall County Assessor. Also referenced below are acts which repeal prior law without providing new substantive provisions.

1. Private Acts of 1911, Chapter 411, proposed to amend a statewide law on taxation by setting the salary of the Tax Assessor of Marshall County at \$700 per year by the use of population figures. However, erroneous population figures were used and this act never really applied because of that error.
2. Private Acts of 1921, Chapter 251, provided for the Tax Assessor of Marshall County to be paid \$1,200 annually on the first Monday in July of each year if the work of the Assessor for that year was completed; if the work was unfinished, then the payment would be made when the work was all done.
3. Private Acts of 1945, Chapter 199, amended Private Acts of 1921, Chapter 251, by increasing the salary of the Assessor from \$1,200 to \$1,800 a year under the same terms and conditions.
4. Private Acts of 1955, Chapter 247, amended Private Acts of 1921, Chapter 251, by striking from Section 1 all the language requiring an annual payment of the Assessor's salary and establishing in its place a monthly payment plan except the last month's pay would be withheld until the assessments for that year were completed.
5. Private Acts of 1957, Chapter 311, amended Private Acts of 1921, Chapter 251, by increasing the salary of the Assessor from \$1,200 to \$3,000 a year payable monthly.
6. Private Acts of 1963, Chapter 168, also amended Private Acts of 1921, Chapter 251, by raising the Assessor's annual salary from \$3,000 to \$5,000 payable monthly, repealing Private Acts of 1957, Chapter 311.
7. Private Acts of 1967-68, Chapter 252, amended Private Acts of 1921, Chapter 251, by again raising the Assessor's salary this time from \$5,000 to \$6,000 but also made it his duty to compile the Tax Rolls of Marshall County and transmit them to the Trustee on or before October 1 of each year and the compensation for this duty is included in the higher salary.

### **Taxation**

The following is a listing of acts pertaining to taxation in Marshall County which are no longer effective.

1. Private Acts of 1967, Chapter 251, imposed a litigation tax of \$2.00 as a part of all Marshall County Court Costs. The "Marshall County Improvement and Maintenance Fund" would be supported by the tax so collected.
2. Private Acts of 1967-68, Chapter 386, amended the above act providing that all the operations of the fund shall be included in the budget adopted by the county legislative body and all expenditure made in accordance with the Marshall County Budget Law.
3. Private Acts of 1976, Chapter 204, set up a \$15 motor vehicle tax on all vehicles in Marshall County except farm tractors and farm machinery not generally operated on public roads. The County Clerk was to collect the tax and issue a decal at an additional 75¢ fee. This act was not approved locally.
4. Private Acts of 1996, Chapter 211, authorized the county to levy and collect a privilege tax on new land development in the county known as the Marshall County Adequate Facilities Tax. This act was not adopted by the county legislative body.
5. Private Acts of 2000, Chapter 157, authorized an adequate facilities tax in Marshall County. This act was not approved locally within the time limitation specified in the act (July 1, 2000) and therefore never became effective

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