



March 11, 2025

Allotments and Impoundments

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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Reference Number: CTAS-735

If the local government operates under the Acts of 1957, 1981, or private act, the legislative body can place departments on quarter allotments or impound funds in case of a financial crisis. If the local government operates under the general law, there is no provision for such allotments or impoundments. However, the legislative body could pass a resolution requesting the department or departments reduce their spending of budget appropriations so that they do not exceed anticipated available funds. Another possibility is to pass a resolution reducing the budget appropriations and directing the department or departments not to exceed the revised anticipated available funds.

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