



March 14, 2025

Statutory Commissions

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.

Sincerely,

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Statutory Commissions

Reference Number: CTAS-827

Trustees receive a commission, for the benefit of the county, for receiving and disbursing funds. However, trustees may not demand or receive any compensation not specified by law, T.C.A. § 8-21-101, and may not receive any authorized commission until the duty or service for which it is granted has been performed, unless specifically allowed by law. T.C.A. § 8-21-102. It is the duty of the courts to decide, upon application by the trustee, any question regarding proper compensation, thereby protecting a trustee acting pursuant to the decision. T.C.A. § 8-21-105. The compensation of the county trustee for receiving and paying over to the rightful authorities all moneys received is listed in the chart below:

1. State, County and Municipal Revenue: T.C.A. § 8-11-110(a).

Sums up to \$10,000	6%
Sums above \$10,000 and up to \$20,000	4%
Sums above \$20,000	2%

2. County Offices: T.C.A. § 8-11-110(e).

Money collected from county officers on fees	1%
Money turned over by clerks of the courts and other collecting office	1%

3. Schools:

Money on the school fund received from the state, except that portion that exceeds the amount of BEP funds provided in the 1991 - 1992 fiscal year. See T.C.A. §§ 8-11-110(e) and 49-3-358. 1%

From federal school lunch program funds handled by the trustee (however, this amount may be paid out of school funds or county general purpose funds if county legislative body so votes) T.C.A. § 8-11-110(f). 1/4%

4. Highways:

For handling county aid funds T.C.A. § 54-4-103(b)(1). 1%

5. Special District Funds:

A. Watershed Districts

For collection of assessments in watershed districts T.C.A. § 69-6-139.	1%
For collection of ad valorem taxes in watershed districts T.C.A. § 69-6-145.	1%

B. Drainage and Levee Districts

For collection of assessments in drainage and levee districts T.C.A. § 69-5-835.	2%
Certified statements, per 100 words T.C.A. § 69-5-835.	\$1
For receiving money from the sale of bonds and warrants T.C.A. § 69-5-931.	½%
For paying out money from the sale of bonds and warrants T.C.A. § 69-5-931.	½%

C. Road Improvement Districts

For collecting and paying out assessments in a road improvement district T.C.A. §§ 54-12-111 and 54-12-424.	2%
Certified statements, per 100 words, for road improvement district T.C.A. § 54-12-424.	\$1
For receiving money from the sale of bonds and warrants T.C.A. § 54-12-425.	½%

For paying out money from the sale of bonds and warrants T.C.A. § 54-12-425.

½%

6. Inquest Proceedings

Disposition of effects found on a dead body T.C.A. §§ 38-5-119 through 38-5-121.

3%

The trustee is entitled to collect a different percentage for collection of municipal taxes upon a negotiated basis pursuant to an approved intergovernmental agreement. T.C.A. § 8-11-110(h).

The trustee's commission for handling local option sales tax funds is one percent. AG OP 11-46 (May 19, 2011).

Exemptions

Reference Number: CTAS-828

The trustee is not entitled to any commission on money turned over by the trustee's predecessor in office, money borrowed for county use, or money received from proceeds of bond sales. T.C.A. § 8-11-110(d). The trustee is not entitled to any compensation for handling funds paid by the state to the county or to a local education agency for the purpose of funding employees' social security contribution for teachers. T.C.A. § 8-11-110(g). The trustee is not entitled to any commission on state funds available to any LEA that exceed the amount of state funds provided for public education in each respective LEA in the 1991-1992 fiscal year. T.C.A. § 49-3-358. Finally, the trustee receives no commission when the county legislative body, by resolution, elects to have the state spend county aid money. After such a decision, the legislative body may later elect to receive the funds, in which case the trustee once again receives compensation for handling them. T.C.A. § 54-4-103(b)(1) and (2).

Pursuant to T.C.A. § 67-6-712(b), the trustee in Shelby County will not receive compensation for receiving and distributing local sales tax revenue if the county legislative body adopts this rule by a 2/3 vote.

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