



County Technical Assistance Service
INSTITUTE *for* PUBLIC SERVICE

August 31, 2024

Motor Vehicle 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

Table of Contents

Motor Vehicle Tax	3
Private Acts of 2003 Chapter 59	3

Motor Vehicle Tax

Private Acts of 2003 Chapter 59

SECTION 1. For the privilege of using the public roads and county highways in Clay County, Tennessee, there is levied upon motor-driven vehicles, and upon the privilege of the operation thereof, except motorcycles, motor-driven bicycles and scooters, farm tractors, self-propelled farm machines not usually used for operation upon public highways or roads, and motor-driven vehicles owned by any governmental agency or governmental instrumentality, and except for other exemptions provided by general law, a special privilege tax for the benefit of such county, which tax shall be in the amount of twenty-five dollars (\$25.00) for each such motor-driven vehicle, the owner of which resides within said county. This tax applies to, is a levy upon, and shall be paid on each motor-driven vehicle, the owner of which resides within said county.

SECTION 2. The tax herein levied shall be paid to and collected by the county clerk of Clay County, who is authorized by T.C.A. § 67-4-103 to collect such privilege taxes. The county clerk shall collect this tax at the same time he or she collects the state privilege tax levied upon the operation of a motor-driven vehicle over the public highways of this state. The county clerk shall deduct a fee of five percent (5%), or such higher or lower fee as may from time to time be authorized under T.C.A. § 8-21-701(55) for receiving and paying over county revenue, from the amount of taxes collected and paid over to the county trustee.

The proceeds of the tax levied by this act shall be placed in such county fund as the county legislative body shall designate by appropriate resolution and shall be used for the purposes of such fund.

SECTION 3. Payment of the privilege tax imposed hereunder shall be evidenced by a receipt, issued in duplicate by the county clerk, the original of which shall be kept by the owner of the motor-driven vehicle and, if required by the county legislative body by resolution pursuant to T.C.A. § 55-4-103, by a decal or emblem also issued by the county clerk, which shall be displayed in the manner required by resolution of the county legislative body. The design of the decal or emblem shall be determined by the county clerk. The expense incident to the purchase of such decals herein required, as well as the expense of obtaining proper receipts and other records necessary for the performance of the duties herein incumbent upon the county clerk, shall be paid from the general fund of the county.

SECTION 4. 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 on which any required decal or emblem has been affixed, as herein provided, to operate or allow to be operated this vehicle over the streets, roads and highways of the county for a period of one (1) year which shall run concurrently with the period established by T.C.A. § 55-4-104 for state registration fees.

In the event a wheel tax decal or emblem is sold by the clerk for more or less than a twelve-month period, the tax imposed shall be proportionate to the annual tax fixed for the vehicle and modified in no other manner, except that the proportionate tax shall be rounded off to the nearest quarter of a dollar.

SECTION 5. In the event any motor-driven vehicle for which the wheel tax has been paid and any required decal or emblem issued and placed thereon become unusable or is destroyed or damaged to the extent that it can no longer be operated over the public roads, streets or highways of said county, or in the event that the owner transfers the title to such vehicle, or completely removes therefrom and destroys the decal or emblem issued for and placed thereon, and the owner makes proper application to the clerk for the issuance of a duplicate decal or emblem to be used by him on another vehicle for the unexpired term for which the original decal or emblem was issued, and the clerk is satisfied that the applicant is entitled to the issuance of a duplicate decal or emblem and the owner pays into the hands of the clerk the sum of ten dollars (\$10.00), the clerk will then issue to such owner a duplicate receipt, canceling the original receipt delivered to him by the owner, and will deliver to the owner a duplicate decal or emblem, which shall be affixed to the motor-driven vehicle for which it is issued, as herein provided, and such duplicate decal or emblem shall entitle the owner to operate or allow to be operated the vehicle upon the streets, roads and highways of said county for the remainder of the period for which the original decal or emblem was issued. Likewise, in the event a decal or emblem becomes obliterated, erased or defaced, or is destroyed under the provisions of this act, and is therefore illegible and unusable by the owner, upon proper application made by the owner and filed with the clerk, showing such circumstances and facts to be true, then the clerk, upon receipt from the owner of ten dollars (\$10.00), may issue and deliver to the owner a duplicate decal or emblem.

SECTION 6. Any person violating the provisions of this act, or any part thereof, is subject to being

assessed a civil penalty not in excess of fifty dollars (\$50.00) for each violation.

SECTION 7. 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 8. This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the county legislative body of Clay County. Its approval or non-approval shall be proclaimed by the presiding officer of the county legislative body and certified by him or her to the secretary of state.

SECTION 9. For the purpose 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 become effective upon approval as provided in Section 8.

Passed: May 29, 2003.

Source URL: <https://www.ctas.tennessee.edu/private-acts/motor-vehicle-tax-2>