



March 31, 2025

Donations to Nonprofit Hospitals

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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Donations to Nonprofit Hospitals

Private Acts of 1949 Chapter 683

SECTION 1. That the Quarterly County Courts of all Counties in Tennessee having a population of not less than 51,600, nor more than 51,700, according to the Federal Census of 1940, or any subsequent Federal Census, be and they are hereby authorized and empowered to appropriate, by roll call and recorded vote, from their respective County treasuries, money to be expended in the erection or operation of non-profit hospitals, erected or operated or to be erected or to be operated in their respective Counties and to donate or contribute such sums of money annually, for either or both of said purposes, provided, however, that in no event shall the aggregate amount appropriated and donated or contributed to such hospitals, one or more, for either or both of said purposes, exceed the sum of \$25,000.00 in any one year.

SEC. 2. That upon such appropriation and donation or contribution being made for any one year, the amount thereof shall be included in the County budget and the tax levy of said county for said year and a special tax levied and collected therefor, or the same may be included in the levy for general County purposes.

SEC. 3. That upon such appropriation and contribution or donation being made for any year aforesaid, the County Judge or Chairman, acting with the County Trustee and the County Court Clerk, is fully authorized and empowered to make the money so appropriated and contributed or donated available to such hospital or hospitals and to pay the same in accordance with such appropriation and donation or contribution; and in event the funds are not immediately available therefor, to anticipate the tax levy for the particular year by the issuance and sale, at not less than par, warrant or warrants, bearing interest not exceeding ___% per annum, which shall be taken up or paid by the County Trustee upon such money being available from such tax levy, and such warrant or warrants shall not bear interest after the money is available for its or their payment.

SEC. 4. That as a condition to the exercise of the authority herein vested in any such Counties, such hospitals, acting by and through the authorized officers or representatives of the same, shall enter into a valid contract with the Quarterly County Courts as representing such Counties to furnish to and in behalf of such Counties hospital services without charge therefor up to ten per cent (10%) of the amount of the gross proceeds of hospital services received by such hospitals in each calendar year during which such contract remains in force and effect, with the exclusive right in such Counties, acting by and through such officials as the Quarterly County Court may designate by resolution for such purpose to determine the patients for whom or whose benefit said hospital services shall be rendered; provided, however, that only such patients shall be so designated as are either indigent and without apparent means of paying therefor, or employees of such Counties prior to the occasion for such hospital services, within the discretion and determination of the official or officials of such Counties so designated as aforesaid; with right of appeal to the next regular session of the Quarterly County Court.

SEC. 5. That all laws and parts of laws in conflict with this Act be and the same are hereby repealed, and that this Act take effect from and after its passage, the public welfare requiring it.
Passed: April 7, 1949.

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