



July 22, 2024

Chapter XI - Taxation

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

Chapter XI - Taxation 3
Deliquent Taxes 3
Sale of Land 3
Private Acts of 1963 Chapter 177 3
Hotels and Motels 3
Private Acts of 1988 Chapter 127 3
Wheel Tax 5
Private Acts of 1959 Chapter 360 5
Taxation - Historical Notes 6

Chapter XI - Taxation

Delinquent Taxes

Sale of Land

Private Acts of 1963 Chapter 177

SECTION 1. That when any land must be sold for payment of delinquent county taxes, for the County of Tipton, it shall be filed under the provisions of Chapter 18, et. seq. Title 67 of the Tennessee Code Annotated so far as the same shall apply. It shall be the duty of the Clerk of the Court ordering the sale to bid, on behalf of Tipton County, the amount ascertained to be due for tax, interest, penalty and cost, where no other bidder offers the same or a higher bid. The proceeds from such sale shall be applied, first, to the payment of the penalty allowed as compensation for prosecuting the suits; second, to the cost. If any municipality shall have delinquent taxes on the same property, and shall join in this suit, a pro rata distribution shall be made to the county and municipality.

SECTION 2. During the period when redemption [sic] of any such tract of land can be made, a receiver may be appointed upon the allegation of waste. After the period of redemption has elapsed it shall be the duty of the Clerk of the Court ordering said sale to arrange to sell every tract of such land as expeditiously and advantageously as possible. The said sale shall be made with the concurrence of the County Judge, the County Trustee and the Tax Assessor of said Tipton County.

SECTION 3. Conveyance of said land upon sale after the period of redemption shall be made without warranties of any sort, and deeds shall be executed by the Tipton County Judge and the Trustee for Tipton County.

SECTION 4. The deed shall be prepared by the Back Tax Attorney as a part of the duties for which he is compensated under the law, and no additional compensation shall be allowed.

SECTION 5. That this Act shall be void and of no effect unless it is approved by a two-thirds vote of the County Court of Tipton County. Its approval or non-approval shall be certified by the Clerk of that body to the Secretary of State.

Passed: March 20, 1963.

Hotels and Motels

Private Acts of 1988 Chapter 127

SECTION 1. For the purposes of this Act:

(a) "Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, governmental unit, or any other group or combination acting as a unit.

(b) "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.

(c) "Occupancy" means the use or possession, or the right to the use or possession, of any room, lodgings or accommodations in any hotel.

(d) "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.

(e) "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.

(f) "County" means Tipton County, Tennessee.

(g) "Operator" means the person operating the hotel whether as owner, lessee or otherwise.

(h) "Clerk" means the county clerk of Tipton County, Tennessee.

SECTION 2. Tipton County is authorized to levy a privilege tax upon the privilege of occupancy in any hotel of each transient, in the amount of five percent (5%) of the rate charged by the operator.

SECTION 3. The proceeds received by the county from the tax shall be designated and used for industrial development purposes and/or community development purposes [sic].

As amended by: Private Acts of 1991, Chapter 130,
Private Acts of 2017, Chapter 23.

SECTION 4. Such tax shall be added by each and every operator to each invoice prepared by the operator for the occupancy of his or her hotel and to be given directly or transmitted to the transient and shall be collected by such operator from the transient and remitted to Tipton 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 ordinance or 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 hereby required to collect the tax from the transient at the time of the presentation of the invoice for said 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 these sections 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 or her 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 shall be responsible for the collection of the tax and shall place the proceeds of such tax in 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 per 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. Taxes collected by an operator which are not remitted to the county clerk on or before the due dates shall be delinquent. An operator shall be liable for interest on such delinquent taxes from the due date at the rate of twelve percent (12%) per annum, and in addition for the penalty of one percent (1%) 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 willful refusal of an operator to collect or remit the tax or willful refusal of a transient to pay the tax imposed is hereby declared to be unlawful and shall constitute a misdemeanor punishable upon conviction of a fine not in excess of fifty dollars (\$50.00).

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

SECTION 10. The county 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 or her services in administering and enforcing the provisions of this Act, the county clerk shall be entitled to retain as a commission five percent (5%) of the taxes so collected. Upon any claim of illegal assessment and collection, the taxpayer shall have the remedies provided in Title 67, Tennessee Code Annotated, it being the intent of this Act that the provisions of law which apply to the recovery of state taxes illegally assessed and collected under the authority of this Act; provided further, the county clerk shall possess those powers and duties as provided in Tennessee Code Annotated, Section 67-1-707 for the county clerks. With respect to the adjustment and settlement with taxpayers, all errors of county taxes collected by the county clerk under authority of this Act shall be refunded by the county clerk. Notice of any tax paid under protest shall be given to the county 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 Tipton County to be used for the purposes stated in Section 3 of this Act.

SECTION 12. If any provision of this Act or the application thereof to any person or circumstances 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 13. This Act shall have no effect unless it is approved by a two-thirds (2/3) vote of the county legislative body of Tipton County not later than December 31, 1988. Its approval or nonapproval shall be proclaimed by the presiding officer of the county legislative body and certified by the presiding officer of the county legislative body to the Secretary of State.

SECTION 14. For the purpose of approving or rejecting the provisions of this Act, it shall become effective upon becoming a law. For all other purposes, it shall become effective upon being approved as provided by Section 13, the public welfare requiring it.

Passed: February 10, 1988.

Wheel Tax

Private Acts of 1959 Chapter 360

SECTION 1. For the privilege of using the public highways, except state-maintained roads, in Tipton County there is levied for the benefit of such county, in addition to all other taxes, a special privilege tax in the amount of twenty dollars (\$20.00) per vehicle on motor scooters, motor bicycles and motorcycles and a special privilege tax in the amount to thirty dollars (\$30.00) per vehicle on all other motor vehicles, except farm tractors. This tax shall apply to and be paid on such vehicles whose owner resides, or usually stays, in Tipton County. It shall be an offense for an resident of Tipton County to operate such vehicles over the highways of Tipton County, state-maintained roads excluded, without the payment of this tax. Provided, however, nothing in this act shall be construed as permitting and authorizing the levy and collection of the tax against non-residents of Tipton County but the same shall be levied only upon such vehicles of residents of Tipton County. This privilege tax shall not apply to any motor vehicle owned by any governmental agency or any government instrumentality.

As amended by: Private Acts of 1992, Chapter 147.

Provided further, any person, firm or corporation which owns, drives or operates a motor vehicle on or over the streets, roads and highways of said County, State maintained roads excluded, for at least sixty (60) days during any calendar year, such person, firm, or corporation shall be liable for the payment of a privilege tax on said motor vehicles levied hereunder. The tax receipt issued under the provisions of this act shall be displayed by affixing the same on the lower right hand side of the windshield of said motor vehicle. Any person violating the provisions of this act and upon conviction thereof shall be fined not less than Twenty-five Dollars (\$25.00) nor more than Fifty Dollars (\$50.00).

As amended by: Private Acts of 1961, Chapter 19.

SECTION 2. That the tax herein levied shall be collected by the County Court Clerk of counties to which this Act applies at the same time that he collects the State privilege tax upon the operation of motor driven vehicles over the public highways. No clerk in counties to which this Act applies shall issue to a resident of such county, a State license for the operation of automobiles unless, at the same time, such resident shall purchase the appropriate license as hereinafter proved for the operation of his motor driven vehicle under this Act. Payment of the privilege tax imposed hereunder shall be evidenced by a receipt in the form of a decal to be displayed on the motor driven vehicle for which the tax is paid, as provided in Section 1 of this act. The design of the decal shall be determined by the County Court Clerk and the expense incident thereto shall be paid from the county general funds. The tax herein levied shall entitle the owner of a motor driven vehicle to operate the same from April 1 of each year to the next succeeding March 31, and the same proportionate reduction shall be made as is now made in the case of State registration of motor vehicles where such motor driven vehicle is registered after April 1 for any reason whatsoever. For his services in issuing such licenses, the County Court Clerk shall be entitled to a fee of one dollar (\$1.00) for each one so issued, to be collected from the person purchasing the same.

As amended by: Private Acts of 1961, Chapter 19.

Private Acts of 1992, Chapter 147.

SECTION 3. The County Court Clerk of any county to which this act applies shall turn over to the County Trustee quarterly, on or before January 15, April 15, July 15 and October 15 of each year the monies collected hereunder during the preceding quarter. The Quarterly County Court shall have the authority and duty to determine the allocation and disposition of funds collected hereunder. Provided, that fifty percent (50%) of the proceeds of the tax herein imposed and collected by the county when such funds have been placed in the hands of the County Trustee shall be allocated to the Public Works Department. The remainder of the proceeds of the tax herein imposed and collected shall be credited by the County Trustee to the County General Account.

As amended by: Private Acts of 1961, Chapter 19.

Private Acts of 1992, Chapter 147.

SECTION 4. That it is the intent of the General Assembly that this Chapter be construed as a measure providing for additional revenues in the counties affected.

SECTION 5. That this Act shall have no effect unless the same shall have been approved by a two-thirds vote of the Quarterly County Court of any county to which it may apply. Its approval or non-approval shall be proclaimed by the presiding 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 the tax levied under this Chapter shall be collected from and after April 1, 1960, and every year thereafter. This Act shall take effect from and after its passage, the public welfare requiring it. Passed: March 19, 1959.

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

1. Acts of 1907, Chapter 602, was the general law providing for more just and equitable assessment for taxation of all property--real, personal and mixed--and collection of revenue for the State. Section 9, Subsection 5 of said act provided for compensation of the county assessor to be fixed by the county court, with maximum guidelines set forth therein. Private Acts of 1913 (1st Ex. Sess.), Chapter 28, was an attempt to amend the above-referenced Section and Subsection, setting the salary at \$1,000 per annum for the county assessor of Tipton County, as designated by 1910 Federal Census population range. However, Tipton County's population for 1910 did not fit within the given range. Private Acts of 1913 (1st Ex. Sess.), Chapter 74, amended the original act by changing the Federal Census year to 1900, thus making the annual salary of \$1,000 for the county assessor applicable to Tipton County. Private Acts of 1923, Chapter 171, also amended the original act to provide that the tax assessor for Tipton County could take his oath of office before the county judge, the chairman of the county court or the county court clerk.
2. Private Acts of 1921, Chapter 969, raised the annual salary to \$1,800 for the year 1921, then \$1,500 per annum thereafter, but provided that none of it was to be paid until the tax assessor had completed his work for the year.
3. Private Acts of 1923, Chapter 276, authorized the Tipton County Court to correct an error made in the assessment of lands belonging to W. A. Boswell for taxation in the Indian Creek Drainage District Number Three of Tipton County.
4. Private Acts of 1931, Chapter 223, created the office of delinquent poll tax collector for Tipton County. The term of office was to be for two years, and to be appointed by the judge or chairman of the county court. All polls not paid on or before March 1 following the year for which said polls were levied were to be turned over to the delinquent poll tax collector to be collected by him. This act was amended by Private Acts of 1931, Chapter 518, by clarifying the language to read that the taxes to be collected were poll taxes levied on the eligible male citizens. Private Acts of 1931, Chapter 757, abolished the office by repealing these acts.
5. Private Acts of 1933, Chapter 51, provided that the Tipton County Tax Assessor would receive a salary of \$1,000 each year, provided he had completed his work for the year. This act was amended by Private Acts of 1933, Chapter 339, to provide that it would not take effect until 1936, rather than in 1934.
6. Private Acts of 1937, Chapter 245, raised the salary of the assessor to \$1,500 annually, but still

- provided that he would not be paid until he had completed his work for the year.
7. Private Acts of 1949, Chapter 254, increased the salary for the Tipton County Assessor to \$2,400 per annum.
 8. Private Acts of 1953, Chapter 11, set the salary of the Tipton County Tax Assessor at \$3,600 per annum and also provided that the quarterly county court could appropriate \$600 annually for the employment of clerical assistants.
 9. Private Acts of 1967-68, Chapter 336, placed the duty of issuing building permits for construction or alteration of a building costing in excess of \$1,000 on the tax assessor in Tipton County, but this act was repealed by Private Acts of 1975, Chapter 115.
 10. Private Acts of 1969, Chapter 46, provided that, in Tipton County, before any person in Tipton County presented for registration an instrument conveying the fee title in real estate (as distinguished from mortgages and deeds of trust) the person must present the conveyance to the Tax Assessor who was required to note and list in a well-bound book the name of the seller; the name of the purchaser; the consideration paid; and a description of each tract of land so conveyed by reference to the adjoining landowners. This Act was repealed by Private Acts of 2014, Chapter 79.

Taxation

The following is a listing of acts pertaining to taxation in Tipton County which are no longer effective. Also referenced below are acts which repeal prior law without providing new substantive provisions.

1. Private Acts of 1915, Chapter 437, authorized the county court of Tipton County (by means of the 1910 Federal Census population figures) to levy and assess an annual tax for general county purposes upon all the taxable property in said county, both real and personal, not to exceed fifty cents per one hundred dollars' valuation, and upon all privileges in said county which were taxable by the laws of the state. This act was specifically repealed by Private Acts of 1995, Chapter 87.
2. Private Acts of 1923, Chapter 433, exempted from county taxes any bonds issued by a church or religious denomination for the purpose of building or repairing church buildings or houses of worship. Private Acts of 1923, Chapter 667 is identical to Chapter 433, and was actually passed and approved prior to Chapter 433.
3. Private Acts of 1925, Chapter 335, required that at least half of the members of the county equalization board of tax assessment in Tipton County should be "dirt farmers", or persons who both owned and operated a farm, and also provided that members could succeed themselves.
4. Private Acts of 1933, Chapter 722, authorized the quarterly county court of Tipton County (as designated by the 1930 Federal Census population range) to levy a special tax on all the taxable property of the county for the purpose of defraying the expense of the care and maintenance of the poor and the insane of the county. The tax was to be designated for "the Tipton County Institutions Fund" and was not to exceed 20¢ per \$100 valuation of taxable property.
5. Private Acts of 1961, Chapter 87, authorized Tipton County (by means of the 1960 Federal Census population figures) to levy and assess a special tax of up to thirty-five cents per one hundred dollars' valuation of all taxable property, said tax to be known as "Hospital Tax", and to be used for the operation, maintenance and repair of a general hospital in said county. This act was amended by Private Acts of 1965, Chapter 74, and was specifically repealed by Private Acts of 1995, Chapter 90.

Source URL: <https://www.ctas.tennessee.edu/private-acts/chapter-xi-taxation-25>