

TITLE 5

MUNICIPAL FINANCE AND TAXATION¹

CHAPTER

1. MISCELLANEOUS.
2. REAL AND PERSONAL PROPERTY TAXES.
3. PRIVILEGE TAXES.
4. WHOLESALE BEER TAX.
5. PURCHASING.
6. HOTEL/MOTEL OCCUPANCY TAX.

CHAPTER 1

MISCELLANEOUS

SECTION

- 5-101. Official depositories for city funds.
 5-102. Fiscal year.

5-101. Official depositories for city funds. The following banks are designated as the official depositories of all municipal funds²:

- (1) Checking account: First Tennessee Bank;
- (2) Savings account: Community National Bank; and
- (3) Certificates of deposit:
 - (a) Citizens Tri-County Bank;
 - (b) Sun Trust Bank; and
 - (c) AmSouth Bank (Regions Bank). (2007 Code, § 5-101)

5-102. Fiscal year. The city's fiscal year begins on July 1 and ends on June 30 of the year next following.³ (2007 Code, § 5-102)

¹Charter reference
 Finance and taxation: title 6, chapter 22.

²Charter reference
Tennessee Code Annotated, § 6-22-120 prescribes depositories for city funds.

³Charter reference
Tennessee Code Annotated, § 6-22-121 provides that the fiscal year of the city shall begin on July 1 unless otherwise provided by ordinance.

CHAPTER 2

REAL AND PERSONAL PROPERTY TAXES

SECTION

5-201. Collection.

5-201. Collection. All municipal property taxes shall be collected by the county trustee and shall become due and delinquent at the same time as the county taxes. (2007 Code, § 5-201)

CHAPTER 3

PRIVILEGE TAXES

SECTION

5-301. Tax levied.

5-302. License required.

5-301. Tax levied. Except as otherwise specifically provided in this code, there is hereby levied on all vocations, occupations, and businesses declared by the general laws of the state to be privileges taxable by municipalities, an annual privilege tax in the maximum amount allowed by state laws. The taxes provided for in the state's Business Tax Act (*Tennessee Code Annotated*, §§ 67-4-701, *et seq.*) are hereby expressly enacted, ordained, and levied on the businesses, business activities, vocations, and occupations carried on within the city at the rates and in the manner prescribed by the act. (2007 Code, § 5-301)

5-302. License required. No person shall exercise any such privilege within the city without a currently effective privilege license, which shall be issued by the city manager to each applicant therefor upon the applicant's compliance with all regulatory provisions in this code and payment of the appropriate privilege tax. (2007 Code, § 5-302)

CHAPTER 4

WHOLESALE BEER TAX

SECTION

5-401. To be collected.

5-401. To be collected. The city manager is hereby directed to take appropriate action to assure payment to the city of the wholesale beer tax levied by the "Wholesale Beer Tax Act," as set out in *Tennessee Code Annotated*, title 57, chapter 6.¹ (2007 Code, § 5-401)

¹State law reference

Tennessee Code Annotated, title 57, chapter 6 provides for a tax in accordance with § 57-6-103. Every wholesaler is required to remit to each municipality the amount of the net tax on beer wholesale sales to retailers and other persons within the corporate limits of the municipality.

Municipal code references

Alcohol and beer regulations: title 8.

Beer privilege tax: § 8-209.

CHAPTER 5**PURCHASING****SECTION****5-501. Purchasing.**

5-501. Purchasing.¹ (1) The limit above which the competitive bidding of purchases is required is increased to ten thousand dollars (\$10,000.00).

(2) Any purchase more than ten thousand dollars (\$10,000.00) other than billings of a routine nature, such as utilities, gasoline, office supplies, insurance payments, or previously approved contracts, will be presented to the board of commissioners for approval. (2007 Code, § 5-501, as amended by Ord. #2009-2010-12, May 2010 and Ord. #2018-2019-7, Feb. 2019)

¹See the Comprehensive Purchasing Ordinance, adopted by Ordinance #17, April 5, 2007, in the office of the city recorder.

CHAPTER 6

HOTEL/MOTEL OCCUPANCY TAX

SECTION

- 5-601. Definitions.
- 5-602. Permit required.
- 5-603. Fee.
- 5-604. Not transferrable.
- 5-605. Duration.
- 5-606. Register required; availability for inspection.
- 5-607. Rooms to be numbered.
- 5-608. Privilege tax levied; use.
- 5-609. Payment of the tax.
- 5-610. Compensation to the hotel.
- 5-611. Interest and penalty for late payment.
- 5-612. Records requirement.

5-601. Definitions. As used in this chapter:

(1) "Consideration" means the consideration charged, whether or not received, for the occupancy in a hotel valued in money, goods, labor or otherwise, including all receipts, cash, credits, property and services of any kind or nature without any deduction therefrom whatsoever.

(2) "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 cabin, short term residential rental spaces, motel or any place in which rooms, lodgings or accommodations are furnished to transients for a consideration.

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

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

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

(6) "Transient" means any person who exercises occupancy or is entitled to occupancy of any rooms, lodgings or accommodations in a hotel for a period of less than thirty (30) continuous days. (Ord. #2019-2020-6, June 2020)

5-602. Permit required. No person will conduct, keep, manage, operate or cause to be conducted, kept, managed or operated, either as owner, lessor, agent or attorney, any hotel as defined in this chapter in the city without having

obtained a permit from the city manager or his designee to do so. (Ord. #2019-2020-6, June 2020)

5-603. Fee. The fee for each hotel permit will be twenty-five dollars (\$25.00). (Ord. #2019-2020-6, June 2020)

5-604. Not transferable. No permit issued under this chapter shall be transferred or assigned. (Ord. #2019-2020-6, June 2020)

5-605. Duration. Hotel permits shall be issued annually and shall expire on the last day of December of each year. (Ord. #2019-2020-6, June 2020)

5-606. Register required; availability for inspection. Every person to whom a permit is issued under this chapter shall at all times keep a standard hotel register, in which shall be inscribed the names of all guests renting or occupying rooms in his hotel. Such register shall be signed in every case by the persons renting a room or by someone under his direction, and after registration is made and the name of the guest is inscribed as herein provided, the manager shall write the number of the room which guest is to occupy, together with the time such room is rented, before such person is permitted to occupy such room. The register shall be open to inspection at all times to the city manager or his/her designee. (Ord. #2019-2020-6, June 2020)

5-607. Rooms to be numbered. With the exception of short term residential rentals, each sleeping room and apartment in every hotel in the city shall be numbered in a plain and conspicuous manner. The number of each room shall be placed on the outside of the door of such room, and no two (2) doors shall bear the same number. (Ord. #2019-2020-6, June 2020)

5-608. Privilege tax levied; use. (1) Pursuant to the provisions of *Tennessee Code Annotated*, §§ 67-4-1401 to 67-4-1425, there is hereby levied a privilege of occupancy in any hotel of each transient. From and after the operative date of this chapter the rate of the levy shall be four percent (4%) of the consideration charged by the operator. This privilege tax shall be collected pursuant to and subject to the provisions of these statutory provisions. The city manager shall be designed as the authorized collector to administer and enforce this chapter and these statutory provisions.

(2) The proceeds received from this tax shall be available for the city's general fund. Proceeds of this tax may not be used to provide a subsidy in any form to any hotel or motel. (Ord. #2019-2020-6, June 2020)

5-609. Payment of the tax. Payment of the tax by the motel to the city shall be no later than the twentieth day of each month for the preceding month. (Ord. #2019-2020-6, June 2020)

5-610. Compensation to the hotel. The hotel may deduct two percent (2%) from the amount paid to the city. (Ord. #2019-2020-6, June 2020)

5-611. Interest and penalty for late payment. The hotel operator is responsible for paying interest on delinquent taxes, eight percent (8%) per annum, plus a penalty of one percent (1%) per month. (Ord. #2019-2020-6, June 2020)

5-612. Records requirement. The hotel operator must keep records for three (3) years, with the right of inspection by the city. (Ord. #2019-2020-6, June 2020)