

TITLE 5**MUNICIPAL FINANCE AND TAXATION¹****CHAPTER**

1. MISCELLANEOUS.
2. PRIVILEGE TAXES.
3. WHOLESALE BEER TAX.
4. PURCHASING.
5. HOTEL/MOTEL TAX.

CHAPTER 1**MISCELLANEOUS****SECTION**

5-101. Official depository for town funds.

5-101. Official depository for town funds. The First Century Bank is hereby designated as the official depository for funds of the Town of Tazewell, and all institutions doing business with the Town of Tazewell, Tennessee, will require secured funds in accordance with the policies of the State of Tennessee Comptroller's Office. (Ord. #159, Sept. 1991, as amended by Ord. #211, Sept. 2003, Ord. #215, Oct. 2004, and Ord. #236, Nov. 2007)

¹Charter references

For specific charter provisions on depositories of municipal funds, see Tennessee Code Annotated, § 6-4-402.

CHAPTER 2

PRIVILEGE TAXES

SECTION

5-201. Tax levied.

5-202. License required.

5-201. 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 (business) 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/town at the rates and in the manner prescribed by the act. (1969 Code, § 6-101, as replaced by Ord. #329, Feb. 2020 *Ch9_08-11-20*)

5-202. License required. No person shall exercise any such privilege within the town without a currently effective privilege (business) license, which shall be issued by the recorder to each applicant therefor upon the applicant's payment of the appropriate privilege tax. (1969 Code, § 6-102, as replaced by Ord. #329, Feb. 2020 *Ch9_08-11-20*)

CHAPTER 3**WHOLESALE BEER TAX****SECTION**

5-301. To be collected.

5-301. To be collected. The recorder is hereby directed to take appropriate action to assure payment to the Town of Tazewell of the wholesale beer tax levied by the "Wholesale Beer Tax Act," as set out in Tennessee Code Annotated, title 57, chapter 6.¹ (1969 Code, § 6-201)

¹State law reference

Tennessee Code Annotated, title 57, chapter 6 provides for a tax of 17% on the sale of beer at wholesale. 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.

CHAPTER 4

PURCHASING

SECTION

5-401. Purchasing policy.

5-401. Purchasing policy. (1) All purchasing other than monthly utilities, gasoline, insurances, lease payments, retainers, janitorial services, fire department, garbage services, state dues, authorized employee deductions and tax deposits will require that a purchase order be issued by the mayor, vice-mayor or department head.

(2) All purchase orders are to be made from local vendors if possible, if the local vendor is comparable in costs to out of town vendors including freight.

(3) All purchase orders will be issued in accordance with the annual budget adopted by the board of mayor and aldermen and for items or services for the Town of Tazewell only. Each purchase order must have the signatures of the department account is assigned. Authorization will be given on an annual basis to each department head on this policy and the assignment of accounts.

(4) Contracts shall be put for bid on the town's needs for garbage services, paving repairs, construction and general property repairs. The construction and general repair category may stay in house if it is shown to be more feasible and does not interfere with the town's regular duties provided by the existing staff.

(5) The current law of Tennessee Code Annotated limits on purchasing before bidding will be observed by bid soliciting or public notice for the town's needs.

(6) The mayor or department head, as defined by the board of mayor and aldermen, has the authority to purchase up to two thousand five hundred dollars (\$2,500.00) on their accounts. The limit can be raised to five thousand dollars (\$5,000.00) with the joint signature of the mayor. These purchases must be in compliance with the annual budget and its amendments by the board of mayor and aldermen. All purchases above the stated amount must have the approval of the board of mayor and aldermen. In an emergency situation or a time limit situation, the mayor may get written or verbal permission from a majority the board to exceed the set amount stated above outside of the regular meeting of the board of mayor and aldermen.

(7) Purchases made from other government agencies or entities will not be required to comply with the bid process set forth in item (5).

(8) The board of mayor and alderman may approve a purchase not to exceed twenty-five thousand dollars (\$25,000.00) without public competitive bidding if they feel it would cause a hardship to the town by increasing costs, wasting need time, a negotiated sale for a specific item or any emergency

situation. At least three (3) quotations shall be obtained from different vendors. (as added by Ord. #183, Nov. 1996, amended by Ord. #222, Aug. 2006, replaced by Ord. #225, Oct. 2006, and amended by Ord. #321, April 2019 **Ch9_08-11-20**, and Ord. #347, Aug. 2023 **Ch10_09-12-23**)

CHAPTER 5

HOTEL/MOTEL TAX

SECTION

- 5-501. Definitions.
- 5-502. Register required, availability for inspection.
- 5-503. Rooms to be numbered.
- 5-504. Tax levied.
- 5-505. Collection.
- 5-506. Remission to city.
- 5-507. Collection, development of report, audit, etc.
- 5-508. Operator cannot advertise that he will assume tax.
- 5-509. Delinquent taxes; offenses by operators and/or transients.
- 5-510. Operators to keep records.
- 5-511. Additional powers of recorder; remedies available to taxpayer.
- 5-512. Recorder to collect, disposition of proceeds.

5-501. Definitions. As used in this chapter:

(1) "Consideration" means the consideration charged, whether received or not, 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, that is occupied or intended or designed for occupancy by transients for dwelling, lodging, or sleeping purposes, and includes privately, publicly, or government-owned hotels, inns, tourist camps, tourist courts, tourist cabins, motels, short-term rental units, primitive and recreational vehicle campsites and campgrounds, or any place in which rooms, lodgings, or accommodations are furnished to transients for 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) "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 acting as a unit.

(5) "Tourism" means attracting nonresidents to visit a particular municipality and encouraging those nonresidents to spend money in the municipality, which includes travel related to both leisure and business activities.

(6) "Tourism development" means the acquisition and construction of, and financing and retirement of debt for, facilities related to tourism; and

(7) "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. (as added by Ord. #337, May 2022 *Ch10_09-12-23*)

5-502. Registration required, availability for inspection. Every person to whom a permit is issued under this article 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 always open to inspection to the city. (as added by Ord. #337, May 2022 *Ch10_09-12-23*)

5-503. Rooms to be numbered. Each sleeping room and 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. (as added by Ord. #337, May 2022 *Ch10_09-12-23*)

5-504. Tax levied. There is hereby levied, assessed, and imposed, and shall be paid and collected, a privilege tax upon the privilege of occupancy in any hotel of each transient in an amount equal to four percent (4%) of the consideration charged by the operator. Such tax is a privilege tax upon the transient occupying such room and is to be collected as provided herein. (as added by Ord. #337, May 2022 *Ch10_09-12-23*)

5-505. Collection. Such tax shall be added by each operator to each invoice prepared by the operator for the occupancy in his hotel to be given directly or transmitted to the transient and shall be collected by such operator from the transient and remitted to the city. (as added by Ord. #337, May 2022 *Ch10_09-12-23*)

5-506. Remission to city. The tax hereby levied shall be remitted by all operators who lease, rent or charge for occupancy within a hotel in the city to the city recorder of the city, such tax to be remitted to such officer no 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 such occupancy whether prior to occupancy or after 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 city entitled to such tax shall be that of the operator. (as added by Ord. #337, May 2022 *Ch10_09-12-23*)

5-507. Collection, development of report, audit, etc. The city recorder shall be responsible for the collection of such tax. A monthly tax return under oath shall be filed with the city recorder by the operator with such number of copies thereof as the city recorder/finance director 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 city recorder and approved by the board of mayor and aldermen prior to use. The city recorder/finance director may audit each operator in the city at least once per year and shall report on the audits made on a quarterly basis to the board of mayor and aldermen. (as added by Ord. #337, May 2022 *Ch10_09-12-23*)

5-508. Operator cannot advertise that his will assume tax. 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. (as added by Ord. #337, May 2022 *Ch10_09-12-23*)

5-509. Delinquent taxes; offenses by operators and/or transients. Taxes collected by the operator which are not remitted to the city recorder on or before the due dates are delinquent. An operator shall be liable for interest on such delinquent taxes from the due date at the rate of twelve percent (12%) per year, such taxes are delinquent. Such interest shall become a part of the tax. 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 declared to be unlawful and shall be punishable upon conviction by a fine not more than fifty dollars (\$50.00). (as added by Ord. #337, May 2022 *Ch10_09-12-23*)

5-510. Operators to keep records. It shall be the duty of every operator liable for the collection and payment to the city of the tax imposed by this article 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 may have been liable for the collection of and payment to the city which records the city recorder shall have the right to inspect at all reasonable times. (as added by Ord. #337, May 2022 *Ch10_09-12-23*)

5-511. Additional powers of recorder; remedies available to taxpayer. The city recorder or other authorized collector of the tax 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 by law for the county clerks.

Upon any claim of illegal assessment and collection, the taxpayer shall have the remedy provided in Tennessee Code Annotated, title 67. The city recorder shall have all those powers and duties as provided in Tennessee Code

Annotated, § 67-1-707(b) with respect to the adjustment and settlement with taxpayers of errors of taxes collected. Any tax paid under protest shall be paid to the city recorder. Any suit filed to recover taxes paid under protest may be brought by filing the same against the city recorder of the city. (as added by Ord. #337, May 2022 *Ch10_09-12-23*)

5-512. Recorder to collect, disposition of proceeds. The city recorder is hereby charged with the duty of collection of the tax herein levied and the proceeds received by the city from the tax shall be used exclusively for tourism and tourism development within the city as required by Tennessee Code Annotated, § 67-4-1403. (as added by Ord. #337, May 2022 *Ch10_09-12-23*)