

TITLE 5

MUNICIPAL FINANCE AND TAXATION

CHAPTER

1. REAL AND PERSONAL PROPERTY TAXES.
2. PRIVILEGE TAXES.
3. WHOLESALE BEER TAX.
4. PURCHASING PROCEDURES.

CHAPTER 1

REAL AND PERSONAL PROPERTY TAXES

SECTION

- 5-101. When due and payable.
 5-102. When delinquent--penalty and interest.

5-101. When due and payable.¹ Taxes levied by the city against real and personal property shall become due and payable annually on the first Monday of October of the year for which levied.

5-102. When delinquent--penalty and interest.² All real property taxes shall become delinquent on and after the first day of March next after they become due and payable and shall thereupon be subject to such penalty and

¹State law references

Tennessee Code Annotated, §§ 67-1-701, 67-1-702 and 67-1-801, read together, permit a municipality to collect its own property taxes if its charter authorizes it to do so, or to turn over the collection of its property taxes to the county trustee. If a municipality collects its own property taxes, tax due and delinquency dates are as prescribed by the charter; if the county trustee collects them, the tax due date is the first Monday in October, and the delinquency date is the following March 1.

²Charter and state law reference

Tennessee Code Annotated, § 67-5-2010(b) provides that if the county trustee collects the municipality's property taxes, a penalty of one half of one percent (0.5%) and interest of one percent (1%) shall be added on the first day of March, following the tax due date and on the first day of each succeeding month.

interest as is authorized and prescribed by the state law for delinquent county real property taxes.¹

¹Charter and state law references

A municipality has the option of collecting delinquent property taxes any one (1) of three (3) ways:

- (1) Under the provisions of its charter for the collection of delinquent property taxes.
- (2) Under *Tennessee Code Annotated*, §§ 6-55-201 to 6-55-206.
- (3) By the county trustee under *Tennessee Code Annotated*, § 67-5-2005.

CHAPTER 2

PRIVILEGE TAXES

SECTION

5-201. Tax levied.

5-202. License required.

5-201. Tax levied. There is hereby levied on all vocations, occupations, and businesses declared by *Tennessee Code Annotated*, §§ 67-4-701, *et seq.* (the "Business Tax Act") to be privileges taxable by municipalities, an annual privilege tax. The taxes provided for the Business Tax Act are hereby expressly enacted and levied on the businesses, business activities, locations, and occupations carried on within the City of Three Way, Tennessee, in the manner prescribed by the Business Tax Act. All of the provisions of the Business Tax Act are hereby expressly enacted. This is an amendment to Ordinance VI to clarify the business tax to be as declared by *Tennessee Code Annotated*, § 67-4-701 and as Business Tax Act License and Tax Report of Madison County, Tennessee, for the City of Three Way. (Ord. #XVII, May 2001)

5-202. License required. No person shall exercise any such privilege within the city without a currently effective privilege license, which shall be issued by the recorder to each applicant therefor upon the applicant's payment of the appropriate privilege tax.

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 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

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: § 8-208.

CHAPTER 4

PURCHASING PROCEDURES

SECTION

5-401. Maximum amount for purchases without public advertisement and competitive bidding.

5-402. Competitive sealed proposals.

5-401. Maximum amount for purchases without public advertisement and competitive bidding. Public advertisement and competitive bidding shall be required for the purchase of all nonemergency, nonpropriety goods and services exceeding an amount of twenty-five thousand dollars (\$25,000.00) except for purchases specifically exempted from advertisement and bidding by state law as set out in the city's purchasing policies and procedures.

At least three (3) written quotations are required when possible for purchases costing less than twenty-five thousand dollars (\$25,000.00) but more than ten thousand (\$10,000.00). Purchases of like items must be aggregated for purposes of the bid threshold. (Ord. #XIV, Sept. 2000, as replaced by Ord. #2022-3, July 2022 *Ch1_12-05-22*)

5-402. Competitive sealed proposals. (1) The city may use competitive sealed proposals to purchase goods and services rather than competitive sealed bids when the board of mayor and alderman (the "board"), acting under the restrictions and requirements of *Tennessee Code Annotated*, title 12, chapter 3, pt. 12, as same may hereinafter be amended, and the procurement code adopted by this division, determines that the use of competitive sealed bidding is either not practicable or not advantageous to the city. The board must make the aforesaid determination with regard to each use of competitive sealed proposals rather than competitive sealed bids, except that in actual emergencies caused by unforeseen circumstances such as natural or human-made disasters, delays by contractors, delays in transportation, or unanticipated volume of work, purchases through competitive sealed proposals may be made without specific authorizing action of the board. A record of any emergency purchase shall be made by the person authorizing the emergency purchase, specifying the amount paid the items and services purchased, from whom the purchase was made, and the nature of the emergency. A report of the emergency purchase purchased through competitive sealed proposals containing all relevant information shall be made as soon as possible by the person authorizing the purchase to the board.

(2) **Procurement code.** The following shall constitute the procurement code of the city:

(a) Conditions for use.

(i) Competitive sealed proposals may be used only when qualifications, experience, or competence are more important than price in making the purchase; and

(ii) When there is more than one solution to a purchasing issue and the competitive sealed proposals will assist in choosing the best solution; or

(iii) When there is no readily identifiable solution to a purchasing issue and the competitive sealed proposals will assist in identifying one (1) or more solutions.

(b) Public notice. Adequate public notice of the request for competitive sealed proposals shall be given in the same manner provided by applicable law for competitive sealed bids.

(c) Request/evaluation factors. The request for competitive sealed proposals shall state the relative importance of price and other evaluation factors. Among other things, the request shall include the desired specifications (which may be expressed in the context of the result sought to be obtained); the qualifications of each proposer; warranties, time frame for performance, the contract; and, if applicable, the bond or other security that the successful proposer will be required to furnish.

(d) Opening of proposals. All competitive sealed proposals shall be submitted in sealed envelopes to the office of the city recorder and shall remain sealed until the date and time specified in the city's solicitation. All competitive sealed proposals shall be opened at the date and time specified in the solicitation and the amount of the bid shall be announced and otherwise made available to all interested parties. The city shall not begin or attempt negotiations with any contractor until all proposals have been opened and evaluated.

(e) Discussions with responsive proposers and revisions to proposals. The request for competitive sealed proposals shall provide that after receipt by the city of a proposal discussions may be conducted for clarification to assure full understanding of, and responsiveness to, the solicitation requirements with responsible proposers who submit proposals determined by the purchasing agent to be reasonably susceptible of being selected. These proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and for revision of proposals, both as to the particular goods or services to be furnished and the price thereof. In order to permit the city to obtain the best offers of proposers, revisions may be permitted after submission and before the intent to award to a particular proposer is announced. In conducting discussions, the purchasing agent and other municipal personnel may make no disclosure to any proposer of any information derived from proposals submitted by competing proposers. Nothing contained herein shall preclude the city from conducting conferences or otherwise communicating with all parties who may be interested in

responding to a proposal prior to the time that proposals are to be received.

(f) Best and final offers. If discussions are conducted, the purchasing agent shall issue a written request for best and final offers. The request shall set forth the date, time, and place for submission of best and final offers. Best and final offers shall be requested only once, unless the purchasing agent makes a written determination that it is advantageous to the city to conduct further discussion or change the city's requirements. The request for best and final offers shall inform proposers that, if they do not submit a notice of withdrawal or a best and final offer, their immediate previous offer will be construed as their best and final offer. Nothing contained herein shall preclude the board from rejecting all proposals and thereafter requesting new proposals.

(g) Award. The award shall be made to the responsible proposer whose proposal the board determines is the most advantageous to the city, taking into consideration price and the evaluation factors set out in the request for competitive sealed proposals. No other factor may be used in the evaluation. The purchasing agent shall place in the contract file a statement containing the basis on which the award was made.

(h) Protest. In the event that any proposer to a request for competitive sealed proposers is aggrieved by the decision of the city, such aggrieved proposer may protest the intended award to another proposer if the protest is filed within seven days after the intended award is announced. The protest must be filed with the board in care of the city administrator of the city and shall be promptly decided by the board.

(i) No conflict with other laws. Nothing contained herein is intended to change the authority of the city with respect to contracting for professional services in accordance with applicable laws of the State of Tennessee. (Ord. #14-1006A, Oct. 2014)