

TITLE 5**MUNICIPAL FINANCE AND TAXATION**¹**CHAPTER**

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

CHAPTER 1**REAL AND PERSONAL PROPERTY TAXES**²**SECTION**

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

¹Charter reference

Finance and taxation: title 6, chapter 22.

²State 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.

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 (1/2 of 1%) 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 each succeeding month.

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 day of November of the year for which levied. (1999 Code, § 5-101)

5-102. When delinquent--penalty and interest.² All real property taxes shall become delinquent on and after the thirty-first day of December next after they become due and payable, and shall thereupon be subject to such penalty and interest as is authorized and prescribed by the charter.³ (1999 Code, § 5-102)

¹Charter references

Tennessee Code Annotated, § 6-22-110 sets the due date of November 1 of the year for which the taxes are assessed, but Tennessee Code Annotated, § 6-22-113 provides that a different tax due date may be set by ordinance (by unanimous vote of the board of commissioners.)

²Charter references

Tennessee Code Annotated, § 6-22-112 sets the tax delinquency of December 1 of the year for which the taxes are assessed, but Tennessee Code Annotated, § 6-22-113 provides that a different delinquent date may be set by ordinance (by unanimous vote of the board of commissioners).

³Charter reference

Tennessee Code Annotated, § 6-22-114 directs the finance director to turn over the collection of delinquent property taxes to the county trustee.

State law reference

A municipality has the option of collecting delinquent property taxes any one of three ways:

- (1) Under the provisions of its charter for the collection of delinquent property taxes.
- (2) Under Tennessee Code Annotated, §§ 6-55-201--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. 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. (1999 Code, § 5-201)

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 city manager or his designee to each applicant therefor upon the applicant's payment of the appropriate privilege tax. (1999 Code, § 5-202)

CHAPTER 3

WHOLESALE BEER TAX

SECTION

5-301. Tax levied.

5-301. Tax levied. There is imposed on the sale of beer at wholesale within the City of Clifton a tax of seventeen percent (17%) of the wholesale price. Every wholesaler, on or before the twentieth day of each month, based on wholesale sales in the preceding calendar month, shall remit to the Recorder of the City of Clifton the amount of the net tax on his wholesale sales to retailers and other persons within the corporate limits of said municipality. For the purpose of this section all sales made by wholesalers at their places of business shall be deemed to be wholesale sales and the tax herein imposed shall be collected on all such sales. The tax collected on any such sales made to licensed retailers whose places of business are located in the City of Clifton shall be paid to the Recorder of the City of Clifton. For the purpose of calculating the tax, the wholesale price shall not include the amount charged as a deposit on returnable bottles, or kegs, provided such deposit does not exceed the actual value of the bottles, kegs, or cases to be returned. The amount of tax shall be taken to the nearest whole cent per case, keg, or carton. One-half of one per cent (1/2 of 1%) of the gross tax shall be remitted at the same time to the Department of Revenue of the State of Tennessee, to be kept, in a special fund and to be used only for expenses of the department in the administration of the so-called Wholesale Beer Tax Act. Three percent (3%) of the gross tax shall be retained by the wholesaler to defray the cost of collecting and remitting the tax.

Each wholesaler doing business within the City of Clifton shall maintain a wholesale price list, and shall file same with the Recorder of the City of Clifton. Notice of any change in such price list shall be delivered to such city recorder.

Each wholesaler doing business within the City of Clifton shall fully comply with all rules and regulations and keep and maintain all records and submit any and whatever reports are required by the Department of Revenue of the State of Tennessee, under the so-called Wholesale Beer Tax Act, Tennessee Code Annotated, title 57, chapter 6, as amended. (1999 Code, § 5-301)

CHAPTER 4

PURCHASING REGULATIONS

SECTION

5-401. Purchases not exceeding \$10,000.00.

5-402. Purchases in excess of \$10,000.00.

5-403. Exceptions to bidding requirement.

5-401. Purchases not exceeding \$10,000.00. The city manager is authorized to make the following purchases whose estimated costs do not exceed ten thousand dollars (\$10,000.00) without formal sealed bids and written specifications: commonly used items of material, supplies, equipment, and services used in the ordinary course of maintaining and repairing the city's real or personal property; building or maintaining stocks of city material, supplies and equipment used in the ordinary course of city operations; and minor construction, repair or maintenance services. However a record of all such purchases shall be maintained describing the material, supplies, equipment or service purchased, the person or business from whom it was purchased, the date it was purchased, the purchase cost, and any other information from which the general public can easily determine the full details of the purchase. Each purchase shall be supported by invoices and/or receipts and any other appropriate documentation signed by the person receiving payment. (1999 Code, § 5-401)

5-402. Purchases in excess of \$10,000.00. The city manager is required to make purchases in excess of ten thousand dollars (\$10,000.00) based on written specifications, awarded by written contract let to the lowest responsive and responsible bidder following advertisement for, and the submission of, sealed bids. (1999 Code, § 5-402)

5-403. Exceptions to bidding requirement. The city manager is authorized to make the following purchases whose estimated cost is in excess of ten thousand dollars (\$10,000.00) without written specification or bid.

(1) Emergency purchases of material, supplies, equipment, or services. However, a report of the emergency purchase, including the nature of the emergency, the materials, supplies, equipment, or services purchased, and the appropriate documentation similar to that required under the first subsection above shall be filed with the city commission at its next regular meeting.

(2) Purchases which can be made only from a sole source. The minimum geography for determining the "sole source" shall be the municipal limits. However, the city manager shall have the discretion to enlarge the geography of the sole source of whatever extent he determines is in the economic interest of the city. However, a full report of the purchase, including a full

description of the purchase, evidence that the purchase was made legitimately a sole source purchase, and from whom the purchase will be made shall be filed with the city commission at its regular meeting prior to purchase. (1999 Code, § 5-403, modified)