

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. 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. (1988 Code, § 6-101)

5-102. When delinquent--penalty and interest. 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 interest as is authorized and prescribed by the state law for delinquent county real property taxes. (1988 Code, § 6-102)

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. (1988 Code, § 6-201)

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 recorder to each applicant therefor upon the applicant's compliance with all regulatory provisions in this code and payment of the appropriate privilege tax. (1988 Code, § 6-202)

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 (1988 Code, § 6-301)

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 PROCEDURES

SECTION

5-401. Department head; powers.

5-402. Expenditures of less than \$10,000.00.

5-403. Expenditures of more than \$10,000.00.

5-404. Records and reports, etc.

5-401. Department head; powers. (1) The department head (department head being city administrator or foreman, city recorder, chief of police, chief or assistant chief of fire department, codes officer or designated purchasing agent) for the city, has the power, except as set out in these procedures, to purchase materials, supplies, equipment, and services; secure leases and lease-purchases; and dispose of and transfer surplus property for the proper conduct of the city's business. All contracts, leases, and lease-purchase agreements extending beyond the end of any fiscal year must have prior approval of the governing body. (Ord. #99-19-0, May 1999)

5-402. Expenditures of less than \$10,000.00. The department head shall have the authority to make purchases, leases, and lease-purchases of up to \$2,500.00. Competitive bids or quotations for the purchase of items which cost less than \$2,500.00 are not mandatory. Purchases of items costing more than \$2,500.00, but less than \$10,000.00 may be made by the department head, provided he/she has obtained at least three competitive bids or quotes. These bids/quotes are not required to be publicly advertised, and may be obtained orally or in writing. The department head should award the purchase to the lowest responsible bidder. If the successful bidder is not the lowest price, the reasons for selecting the higher-priced bid must be documented and filed with the bids. All competitive bids or quotations received shall be recorded and maintained in the office of the department head, with a copy retained at city hall, for a minimum of two years after audit. (Ord. #99-19-0, May 1999)

5-403. Expenditures of more than \$10,000. (1) A description of all projects or purchases, except as herein provided, which require the expenditure of city funds of \$10,000.00 or more singly or in the aggregate during any fiscal year shall be prepared by the department head and submitted to the governing body for authorization to call for bids or proposals. After the determination that adequate funds are budgeted and available for a purchase, the governing body may authorize the city recorder or department head to advertise for bids or proposals. The award of purchases, leases, or lease-purchases of \$10,000.00 or more shall be made by the governing body to the lowest responsible bid, but the bid may be the best and most responsive but not the lowest cost. If this

happens, the reason for not accepting the lowest bid must be addressed and documented in the minutes of the board.

(2) Purchases amounting to \$10,000.00 or more, which do not require public advertising and sealed bids or proposals, may be allowed only under the following circumstances and, except as otherwise provided herein, when such purchases are approved by the governing body:

(a) Sole source of supply or proprietary products as determined after complex search by using department and department head.

(b) Emergency expenditures with subsequent approval of the governing body.

(c) Purchases from instrumentalities created by two or more cooperating governments.

(d) Purchases from non-profit corporations whose purpose or one of whose purposes is to provide goods or services specifically to municipalities.

(e) Purchases, leases, or lease-purchases of real property.

(f) Purchases, leases, or lease-purchases, from any federal, state, or local governmental unit or agency, of second-hand articles or equipment or other materials, supplies, commodities, and equipment.

(g) Purchases through other units of governments as authorized by the Municipal Purchasing Law of 1983.

(h) Purchases directed through or in conjunction with the State Department of General Services.

(i) Purchases from Tennessee state industries.

(j) Professional service contracts as provided in Tennessee Code Annotated, § 29-20-407.

(k) Tort Liability Insurance as provided in Tennessee Code Annotated, § 12-4-407.

(l) Purchases of perishable commodities. (Ord. #99-19-0, May 1999)

5-404. Records and reports, etc. The department head shall be responsible for following these procedures and the Municipal Purchasing Law of 1983, as amended, including keeping and filing required records and reports, as if they were set out herein and made a part hereof and without definitions of words and phrases from the law as herein defined. (Ord. #99-19-0, May 1999)