

**TITLE 5**

**MUNICIPAL FINANCE AND TAXATION<sup>1</sup>**

**CHAPTER**

1. MISCELLANEOUS.
2. REAL PROPERTY TAXES.
3. PRIVILEGE TAXES.
4. WHOLESALE BEER TAX.
5. LOCAL SALES TAX.

**CHAPTER 1**

**MISCELLANEOUS**

**SECTION**

5-101. Official depository for city funds.

**5-101. Official depository for city funds.** The First State Bank of Sharon, Tennessee, is hereby designated as the official depository for all town funds. (1977 Code, § 6-101, modified)

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<sup>1</sup>Charter references  
Taxes: §§ 17, 18, and 19.

**CHAPTER 2****REAL PROPERTY TAXES****SECTION**

5-201. When due and payable.

5-202. When delinquent--penalty and interest.

**5-201. When due and payable.** Taxes levied by the town against real property shall become due and payable annually on the first Monday of October of the year for which levied. (1977 Code, § 6-201)

**5-202. 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. (1977 Code, § 6-202)

**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 said 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 town at the rates and in the manner prescribed by the said act. (1977 Code, § 6-301)

**5-302. License required.** No person shall exercise any such privilege within the town 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. (1977 Code, § 6-302)

## CHAPTER 4

WHOLESALE BEER TAX

## SECTION

5-401. To be collected.

**5-401. To be collected.** The recorder is hereby directed to take appropriate action to assure payment to the town of the wholesale beer tax levied by the "Wholesale Beer Tax Act," as set out in Tennessee Code Annotated, title 57, chapter 6.<sup>1</sup> (1977 Code, § 6-401)

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<sup>1</sup>State 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 5

### LOCAL SALES TAX

#### SECTION

- 5-501. Local sales tax levied.
- 5-502. Approval of voters required.
- 5-503. Collection of tax.
- 5-504. Suits for recovery of illegally assessed or collected tax.
- 5-505. Notice of ordinance.

**5-501. Local sales tax levied.** As authorized by chapter 329, Public Acts of 1963, there is levied a tax in the same manner and on the same privileges subject to the Retailers' Sales Tax Act under Tennessee Code Annotated, chapter 6, title 67, as the same may be amended, which are exercised in the town. The tax is levied on all such privileges at a rate of one-third of the rates levied in the Retailers' Sales Tax Act codified in Tennessee Code Annotated, chapter 6, title 67. Provided the tax shall not exceed five dollars (\$5.00) on the sale or use of any single article of personal property, and there is excepted from the tax levied herein the sale, purchase, use, consumption, or distribution of electric power or energy, or natural or artificial gas, or coal and fuel oil. Penalties and interest for delinquencies shall be the same as provided in Tennessee Code Annotated, § 67-6-516. (1977 Code, § 6-501)

**5-502. Approval of voters required.** If a majority of those voting in the election required by section 5 of chapter 329 Public Acts of 1963 vote for the ordinance,<sup>1</sup> collection of the tax levied herein shall begin on the first day of the month occurring thirty (30) or more days after the county election commissioners make their official canvass of the election returns. (1977 Code, § 6-502)

**5-503. Collection of tax.** It having been determined by the Department of Revenue of the State of Tennessee that it is feasible for this tax to be collected by that department, said determination being evidenced by local option sales and use tax rules and regulations heretofore promulgated by the department of revenue, the department shall collect such tax concurrently with the collection of the state's sales tax in the same manner as the state tax is collected in accordance with rules and regulations promulgated by said department. The mayor is hereby authorized to contract with the department of revenue for the collection of the tax by the department, and to provide in said contract that the

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<sup>1</sup>This ordinance was approved by the voters on November 21, 1972.

department may deduct from the tax collected a reasonable amount or percentage to cover the expense of the administration and collection of said tax. (1977 Code, § 6-503)

**5-504. Suits for recovery of illegally assessed or collected tax.** In the even the tax is collected by the department of revenue, suits for the recovery of any tax illegally assessed or collected shall be brought against the mayor. (1977 Code, § 6-504)

**5-505. Notice of ordinance.** A copy of this ordinance shall be transmitted to the said department of revenue and shall be published one time in a newspaper of general circulation in the town prior to the election called for in § 5-502. (1977 Code, § 6-505)