

TITLE 6

FINANCE AND TAXATION¹

CHAPTER

1. REAL PROPERTY TAXES.
2. HOTEL AND MOTEL PRIVILEGE TAX.
3. PRIVILEGE TAXES GENERALLY.
4. WHOLESALE BEER TAX.

CHAPTER 1

REAL PROPERTY TAXES

SECTION

6-101. When due and payable.

6-102. When delinquent--penalty and interest.

6-101. When due and payable. Taxes levied by the city against real property shall become due and payable annually on the date prescribed in the charter. (1979 code, § 6-101)

6-102. When delinquent--penalty and interest. Real property taxes shall become delinquent on and after the date prescribed in the charter and shall thereupon be subject to such penalty and interest as is authorized and prescribed by the charter. (1979 code, § 6-102)

¹For related provisions, see the city's charter, particularly articles I(4), XI, XII, XIV, and XV.

See also, title 1, chapter 14 for reference to an ordinance establishing a purchasing department for the City of Shelbyville and procedures pertaining thereto.

CHAPTER 2

HOTEL AND MOTEL PRIVILEGE TAX

SECTION

- 6-201. Definitions.
- 6-202. Levy of privilege tax.
- 6-203. Collection; remittance to city; occupancy for continuous days.
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- 6-205. Monthly tax return shall be filed with city treasurer.
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- 6-212. Appropriation of funds to the Shelbyville-Bedford County Chamber of Commerce.
- 6-213. Resolution to levy tax rate and to provide rules and regulations.
- 6-214. Severability.

6-201. Definitions. As used in the chapter unless the context otherwise requires:

(1) "Consideration" means the consideration charged, whether or not received, for the occupancy in a hotel valued in money whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits, property and services of any kind or nature without any deduction therefrom whatsoever. Nothing in this definition shall be construed to imply that consideration is charged when the space provided to the person is complimentary from the operator and no consideration is charged to or received from any person.

(2) "Hotel" means any structure or space for trailer or recreational vehicles, or any portion of any structures, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist camp, tourist cabin, tourist court, motel or any place in which rooms, lodging or accommodations are furnished to transients for a consideration. All residences not used for Bed and Breakfast are excluded from this definition.

(3) "Occupancy" means the use or possession, or the right to the use or possession, of any room, lodgings or accommodations in any hotel, or space for recreational vehicles.

(4) "Operator" means the person operating the hotel whether as owner, lessee, or otherwise.

(5) "Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.

(6) "Transient" means any person who exercises occupancy or is entitled to occupancy for any rooms, lodgings or accommodations in a hotel for a period of less than thirty (30) continuous days.

(7) "Tax Collection Official" means the Treasurer of the City of Shelbyville, Tennessee. (as added by ord. No. 454)

6-202. Levy of privilege tax. The City of Shelbyville levies a privilege tax upon the privilege of occupancy in any hotel or each transient in an amount not to exceed 10% 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. No. 454)

6-203. Collection; remittance to city; occupancy for thirty continuous days. Such tax shall be added by each and every operator to each invoice prepared by the operator for the occupancy of his hotel to be given directly to or transmitted to the transient and shall be collected by such operator from the transient and remitted to the city.

When a person has maintained occupancy for thirty (30) continuous days, he shall receive from the operator a refund or credit for the tax previously collected from or charged to him, and the operator shall receive credit for the amount of such tax if previously paid or reported to the city. (as added by ord. No. 454)

6-204. Remittance of tax to city treasurer. The tax hereby levied shall be remitted by all operators who lease, rent or charge for any rooms within the City to the City Treasurer; such tax shall be remitted to the City Treasurer not 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. No. 454)

6-205. Monthly tax return shall be filed with city treasurer. The office of the city treasurer shall be responsible for the collection of such tax. A monthly tax return under oath shall be filed with the city treasurer by the operator with such number of copies thereof as the city treasurer 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 city treasurer shall audit each operator in the

city at least once per year and shall report on audits made on a quarterly basis to the city council. (as added by ord. No. 454)

6-206. Operator shall not advertise non-collection of 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. No. 454)

6-207. Delinquent taxes. Taxes collected by the operator which are not remitted to the City Treasurer 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 12% per annum, and in addition, for penalty of 1% for each month or fraction thereof such taxes are delinquent. Such interest and penalty shall become a part of the tax herein required to be remitted. Each occurrence of willful refusal of a transient to pay the tax imposed is hereby declared to be unlawful and shall be punishable by a civil penalty not in excess of fifty dollars (\$50.00). (as added by ord. No. 454)

6-208. Records to be kept. It shall be the duty of each operator liable for the collection and payment to the city of any tax imposed by this ordinance 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 Treasurer shall have the right to inspect at all reasonable times. (as added by ord. No. 454)

6-209. Powers of collector; illegal assessment and collection; tax paid under protest. The city treasurer or other authorized collector of the tax in administering and enforcing the provisions of this ordinance shall have as additional powers, those powers and duties with respect to collecting taxes as provided by law for the city treasurers. (as added by ord. No. 454)

6-210. Proceeds. The proceeds received by the city treasurer from the tax shall be retained by the city treasurer and deposited into a special fund in the city's name and shall be used for tourism and economic and industrial development. No monies shall be expended from such fund except as provided in this section. Any unencumbered funds and any unexpended balance of this fund remaining at the end of any fiscal year shall not revert to the general fund, but shall be carried forward until expended in accordance with the provisions herein. Interest accruing on investments and deposits of the fund shall be returned to the fund and remain a part of the fund. (as added by ord. No. 454)

6-211. Compensation of operator for remitting tax. For the purpose of compensating the operator for remitting the tax levied by this chapter, the

operator shall be allowed two percent (2%) of the amount of the tax due and remitted to the tax collection official in the form of a deduction in submitting the report and paying the amount due by such operator, provided the amount due was not delinquent at the time of payment. (as added by ord. No. 454)

6-212. Appropriation of funds to the Shelbyville-Bedford County Chamber of Commerce. The City Council of the City of Shelbyville, Tennessee, shall appropriate all funds deposited in the special fund to the Shelbyville-Bedford County Chamber of Commerce upon their request for the purposes herein provided. Said request shall be first in budget form for operational purposes. Any special request shall originate with said chamber of commerce and be received by the City Council of the City of Shelbyville as a prerequisite to appropriation of the fund.

The chamber of commerce shall submit a report annually to the city treasurer describing the manner in which the appropriated funds have been expended for tourism and economic development. The form and filing date of the report shall be as provided by the city treasurer. (as added by ord. No. 454)

6-213. Resolution to levy tax rate and to provide rules and regulations. The City Council of the City of Shelbyville, Tennessee, may adopt a resolution to provide for reasonable rules and regulations for implementation of the provisions of this chapter, including the form for reports. The City Council of the City of Shelbyville, Tennessee, may adopt a resolution levying a tax rate of ten percent (10%) or less on occupancy of hotels and motels. Said percentage of privilege tax may in this manner be adjusted, but shall in no event exceed ten percent (10%). (as added by ord. No. 454)

6-214. Severability. If any provision of this chapter or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the chapter which can be given effect without the invalid provision or application and to that end the provisions of this chapter are disclosed to be severable. (as added by ord. No. 454)

CHAPTER 3

PRIVILEGE TAXES GENERALLY

SECTION

6-301. Tax levied.

6-302. License required.

6-301. 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 municipality at the rates and in the manner prescribed by the said act. (1979 code, § 6-301, modified)

6-302. License required. No person shall exercise any such privilege within the municipality without a currently effective privilege license, which shall be issued by the recorder to each applicant therefor upon such applicant's payment of the appropriate privilege tax. (1979 code, § 6-302)

CHAPTER 4

WHOLESALE BEER TAX

SECTION

6-401. To be collected.

6-401. 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. (1979 code, § 6-401, modified)