

**TITLE 5****MUNICIPAL FINANCE AND TAXATION<sup>1</sup>****CHAPTER**

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

**CHAPTER 1****MISCELLANEOUS****SECTION**

- 5-101. Depositories of municipal funds.
- 5-102. Officials authorized to deposit to and withdraw funds from municipal depositories.
- 5-103. Returned check fee.
- 5-104. Statements for public works.
- 5-105. Purchasing procedures.

**5-101. Depositories of municipal funds.** The following financial institutions are designated as depositories of municipal funds: Volunteer Bank, Trenton, Tennessee; Bank of Commerce, Trenton, Tennessee; Security Bank, Trenton, Tennessee; and Union Planters Bank of West Tennessee, Trenton, Tennessee. (Ord. #190, Feb. 1996)

**5-102. Officials authorized to deposit to and withdraw funds from municipal depositories.** The mayor, the city recorder, and the city treasurer are each authorized to endorse in the name of the City of Trenton all checks, drafts, notes, bills, certificates of deposit or other instruments and that endorsement for the purpose of negotiation, deposit or collection may be by written or stamped endorsement of the city without designation of the official making the endorsement. Any two of the mayor, the city recorder and the city treasurer are authorized to sign any and all checks, drafts and orders for the payment of money against funds of the city or deposit in any municipal depository. (Ord. #191, Feb. 1996)

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<sup>1</sup>Charter references: §§ 9 and 9A.

**5-103. Returned check fee.** A penalty of seven dollars and fifty cents (\$7.50) shall be imposed for each check returned by any bank due to "insufficient funds" or "no account." (1983 Code, § 6-101)

**5-104. Statements for public works.** All billings issued by the city recorder for materials or services not paid within 30 days shall be assessed 1½% interest per month or fraction thereof until paid. (1983 Code, § 6-102)

**5-105. Purchasing procedures.** Public advertisement and competitive bidding shall be required for the purchase of all goods and services exceeding an amount of ten thousand dollars (\$10,000.00) except for those purchases specifically exempted from advertisement and bidding by the Municipal Purchasing Act of 1983. (Ord. #196, Jan. 1997, as amended by Ord. #209, § 1, March 2000)

## 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.**<sup>1</sup> Taxes levied by the city against real property shall become due and payable annually on the date prescribed in the city's charter. (1983 Code, § 6-201)

**5-202. When delinquent--penalty and interest.**<sup>2</sup> All real property taxes shall become delinquent on and after the date prescribed in the city's charter and shall thereupon be subject to such penalty and interest as is authorized and prescribed by the charter.<sup>3</sup> (1983 Code, § 6-202)

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<sup>1</sup>State 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. Apparently, under those same provisions, 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.

<sup>2</sup>Charter 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 1/2 of 1% and interest of 1% shall be added on the first day of March, following the tax due date and on the first day of each succeeding month.

<sup>3</sup>Charter and state law references

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 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 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 said act. (1983 Code, § 6-301)

**5-302. 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. (1983 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 city 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> (1983 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.