

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

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

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

- 5-101. Official depository for city funds.  
5-102. Fiscal year of the city.

**5-101. Official depository for city funds.** The City and County Bank of Union County is hereby designated as the official depository for all city funds.<sup>2</sup> (2001 Code, § 5-101, modified)

**5-102. Fiscal year of the city.** The fiscal year of the city is from the first day of July to the thirtieth day of June of the year next following.

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<sup>1</sup>Charter reference  
Finance and taxation: title 6, chapter 22.

<sup>2</sup>Charter reference  
Tennessee Code Annotated, § 6-22-120 prescribes depositories for city funds.

## CHAPTER 2

### REAL AND PERSONAL 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 and personal property shall become due and payable annually on the first day of November of the year for which levied.

**5-202. When delinquent--penalty and interest.**<sup>2</sup> All real property taxes shall become delinquent on and after the 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.<sup>3</sup>

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<sup>1</sup>Charter 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.)

<sup>2</sup>Charter 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).

<sup>3</sup>Charter 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 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.<sup>1</sup> (2001 Code, § 5-201)

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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 4

### PURCHASING

#### SECTION

5-401. Purchasing limits.

5-402. Surplus stock.

**5-401. Purchasing limits.** In accordance with Tennessee Code Annotated, § 6-19-104, the purchase of all materials, supplies, equipment and services purchased under the authority of this chapter shall, unless otherwise provided by law, be purchased in accordance with the following regulations:

(1) Purchase in excess of ten thousand dollars (\$10,000.00) (not to exceed \$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.

(2) Purchases in excess of ten thousand dollars (\$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, provided that the city may reject any and all bids.

(3) Exceptions to bidding requirements. The city manager is authorized to make the following purchases whose estimated cost is in excess of ten thousand dollars (\$10,000.00) (not to exceed \$10,000.00) without written specifications or bids:

(a) 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 appropriate documentation similar to that required under the first subsection above shall be filed with the commission at its next regular meeting.

(b) The purchase of unique, special, or proprietary material, supplies, equipment or services the city manager determines is in the

best interest of the city to acquire. However, a report of the purchase, including a full description of the material, supplies, equipment or services purchased; the reason the same is unique, special or proprietary; the interest of the city served by the purchase; and from whom the purchase will be made shall be filed with the commission at its regular meeting prior to purchase.

(c) Purchases of equipment that by reason of training of city personnel or an inventory of replacement parts maintained by the city is compatible with existing equipment owned by the city. However, a full report of the purchase, including a full description of the equipment, an outline of the municipal training or parts inventory factors that made the purchase economically advantageous to the city, and from whom the purchase will be made shall be filed with the commission at its regular meeting prior to purchase.

(d) Purchases that 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 to 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 is legitimately a sole source purchase, and from whom the purchase will be made shall be filed with the board of commissioners at its regular meeting prior to purchase.

**5-402. Surplus stock.** All department heads shall submit to the city manager, at such times and in such form as he shall prescribe, reports showing stocks of all supplies which are no longer used or which have become obsolete, worn out or scrapped.

(1) Transfer. The city manager shall have the authority to transfer surplus stock to other departments.

(2) Sale. The city manager shall recommend to the commission to sell all supplies which have become unsuitable for public use, or to exchange the same for, or trade in the same on, new supplies.

(3) Competitive bidding. Sales under this section shall be made to the highest responsible bidder. (2001 Code, § 5-316, modified)