

TITLE 5**MUNICIPAL FINANCE AND TAXATION¹****CHAPTER**

1. REAL PROPERTY TAXES.
2. PRIVILEGE TAXES GENERALLY.
3. WHOLESALE BEER TAX.
4. PURCHASING.
5. OCCUPANCY TAX.

CHAPTER 1**REAL PROPERTY TAXES****SECTION**

- 5-101. When due and payable.
5-102. When delinquent--penalty and interest.

5-101. When due and payable.² Taxes levied by the town against real and personal property shall become due and payable annually on the first day of October of the year for which levied. (1978 Code, § 6-101)

¹The Debt Management Policy for the Town of White Pine is available for review in the office of the city recorder. (Ord. #6-11, Dec. 2011)

²State 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.

5-102. When delinquent--penalty and interest.¹ 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.² (1978 Code, § 6-102)

¹Charter 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 ½ 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.

²Charter 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 2

PRIVILEGE TAXES GENERALLY

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 town at the rates and in the manner prescribed by the act. (1978 Code, § 6-201)

5-202. 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. (1978 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 town of the wholesale beer tax levied by the "Wholesale Beer Tax Act," as set out in Tennessee Code Annotated, title 57, chapter 6.¹ (1978 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

SECTION

5-401. Competitive bidding.

5-401. Competitive bidding. In accordance with the provisions of Tennessee Code Annotated, § 6-56-306(a), a part of the Municipal Purchasing Law of 1983, as amended by Chapter No. 269 of the Public Acts of 1999, the dollar amount required for public advertisement and competitive bidding is \$10,000.

The limit for purchases requiring no advertisement or competitive bidding is \$4,000 calculated as allowed by Tennessee Code Annotated, § 6-56-305 as amended by Chapter No. 610 of the Public Acts of 2006. (As added by Ord. #4-99, Oct. 1999, as amended by Ord. #9-06, Oct. 2006)

CHAPTER 5

OCCUPANCY TAX

SECTION

- 5-501. Definitions.
- 5-502. Levy of tax.
- 5-503. Tax added to room invoice.
- 5-504. Remittance to town recorder.
- 5-505. Offer to absorb tax prohibited.
- 5-506. Penalties and interest for delinquency.
- 5-507. Records.
- 5-508. Administration.
- 5-509. Expending and distributing tax.
- 5-510. Tax is additional tax.
- 5-511. Rules and regulations.

5-501. Definitions. For the purpose of this chapter, the following definitions shall apply:

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

(2) "Hotel" means any structure, or any portion of a structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist court, tourist camp, tourist cabin, motel or any place in which rooms, lodgings or accommodations are furnished to transients for consideration.

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

(4) "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 ninety (90) continuous days.

(5) "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 of 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.

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

(7) "Tourism" means the planning and conducting of programs of information and publicity designed to attract to the municipality tourists,

visitors and other interested persons from outside the area and also encouraging and coordinating the efforts of other public and private organizations or groups of citizens to publicize the facilities and attractions of the area for the same purposes. It also means the acquisition, construction, and remodeling of facilities useful in the attraction and promoting of tourism, conventions, and recreational business. (as added by Ord. #12-19, Dec. 2019 ***Ch14_6-16-20***)

5-502. Levy of tax. There is hereby levied a privilege tax upon the privilege of occupancy in any hotel of each transient in an amount of three percent (3.0%) of the consideration charged by the operator. Said tax so imposed is a privilege tax upon the transient occupying said room and is to be collected and distributed as hereinafter. (as added by Ord. #12-19, Dec. 2019 ***Ch14_6-16-20***)

5-503. Tax added to room invoice. Said tax shall be added by each and every operator to each invoice prepared by the operator for the occupancy of his hotel, such invoice to be given directly or transmitted to the transient and shall be collected by such operator from the transient and remitted to the Town of White Pine. (as added by Ord. #12-19, Dec. 2019 ***Ch14_6-16-20***)

5-504. Remittance to town recorder. The tax hereby levied shall be remitted by all operators who lease, rent, or charge for any rooms to the town recorder. Said tax to be remitted to such officer not later than the 20th day of each month next following collection from the transient. (as added by Ord. #12-19, Dec. 2019 ***Ch14_6-16-20***)

5-505. Offer to absorb tax prohibited. 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 be added to the rent, or that, if added, any part will be refunded. (as added by Ord. #12-19, Dec. 2019 ***Ch14_6-16-20***)

5-506. Penalties and interest for delinquency. Taxes collected by an operator which are not remitted to the town recorder 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 six percent (6%) per annum, and in addition for penalty of one-half of one percent (1/2 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. Willful refusal of an operator to collect or remit the tax or willful refusal of a transient to pay the tax imposed is hereby declared to be unlawful and shall constitute a misdemeanor. The fine shall be applicable to each individual transaction involving lodging services paid by a customer to the operator in those cases when the operator falls or refuses to pay

the tax payable to the town recorder. (as added by Ord. #12-19, Dec. 2019 *Ch14_6-16-20*)

5-507. Records. It shall be the duty of every operator liable for the collection and payment of this tax, to keep and preserve for a period of three (3) years all records necessary to determine the amount of such tax for whose collection and payment to the municipality he may have been liable, which records the town recorder shall have the right to inspect at all reasonable times. (as added by Ord. #12-19, Dec. 2019 *Ch14_6-16-20*)

5-508. Administration. In administering and enforcing the provisions of this chapter, the town recorder shall have as additional powers the powers and duties with respect to collection of taxes provided in Tennessee Code Annotated, title 67, or other provided by law. (as added by Ord. #12-19, Dec. 2019 *Ch14_6-16-20*)

5-509. Expending and distributing tax. The proceeds from the tax levied herein shall be used solely to promote tourism and economic development in the town and for no other purposes. To that end, all proceeds from the tax levied herein shall be directed to the general fund of the White Pine Industrial Development Board to be used to attract business, industry and jobs to the town and encourage economic development and growth and promotion of tourism within the town. (as added by Ord. #12-19, Dec. 2019 *Ch14_6-16-20*)

5-510. Tax is additional tax. The tax herein levied shall be in addition to all other taxes levied or authorized to be levied whether in the form of excise, license, or privilege taxes, and shall be in addition to all other fees and taxes now levied or authorized to be levied.

5-511. Rules and regulations. The town recorder shall have the power to make and publish reasonable rules and regulations not inconsistent with this chapter or other laws, for the enforcement of the provisions of this chapter and the collection of revenues hereunder.

Further, the town recorder shall design, prepare, print and make available to all persons who are subject to this chapter, all necessary forms for filing returns and instructions to ensure full compliance with the provisions of this chapter. (as added by Ord. #12-19, Dec. 2019 *Ch14_6-16-20*)