

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

1. MISCELLANEOUS.
2. REAL PROPERTY TAXES.
3. PRIVILEGE TAXES.
4. WHOLESALE BEER TAX.
5. PUBLIC ADVERTISING AND COMPETITIVE BIDDING.
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CHAPTER 1**MISCELLANEOUS****SECTION**

- 5-101. Official depositories for city funds named; withdrawals therefrom.
5-102. Absentee voting by mail procedures for non-resident property owners.

5-101. Official depositories for city funds named; withdrawals therefrom. All banks with physical branches in Lincoln County, Tennessee, Raymond James, and Tennessee Local Government Investment Pool are designated as official depositories for all city funds. All checks, drafts, or withdrawals made from the accounts in said depositories shall in addition to the name of the city bear the personal signature the mayor, clerk or assistant clerk and shall be countersigned by one (1) other individual being either the mayor, clerk or assistant clerk. (1995 Code, § 5-101, modified)

5-102. Absentee voting by mail procedures for non-resident property owners. All persons residing outside the corporate limits of the City of Fayetteville who own real property within the corporate limits of the City of Fayetteville and are entitled to vote in City of Fayetteville municipal elections pursuant to Fayetteville City Charter Article III, Section 4, and other general law requirements, shall cast their ballots in City of Fayetteville municipal elections by absentee mail ballots. (Ord. #2014-03, March 2014)

¹Municipal code reference

Alcoholic beverage privilege tax: title 8, chapter 3.

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.¹ Taxes levied by the municipality against real and personal property shall become due and payable annually on the first Monday of October of the year for which levied. (1995 Code, § 5-201)

5-202. When delinquent--penalty and interest.² All real and personal 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 real and personal property taxes³ except that beginning with the real and personal property taxes becoming delinquent on March 1, 1981, and

¹State 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.

²Charter 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 one-half (1/2) of one percent (1%) and interest of one percent (1%) shall be added on the first day of March, following the tax due date and on the first day of each succeeding month.

³Charter 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 to 6-55-206.
- (3) By the county trustee under *Tennessee Code Annotated*, § 67-5-2005.

subsequent years the penalty and interest shall accrue at the rate of one and one-half percent (1 1/2%) for the first month of such delinquency and one and one-half percent (1 1/2%) for each additional month that said taxes remain delinquent to a maximum of eighteen percent (18%). (1995 Code, § 5-202, modified)

CHAPTER 3

PRIVILEGE TAXES

SECTION

5-301. Tax levied.

5-302. License required.

5-303. Refunds.

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 act. (1995 Code, § 5-301)

5-302. License required. No person shall exercise any such privilege within the municipality without a currently effective privilege license, which shall be issued by the city clerk to each applicant therefor upon the applicant's compliance with all regulatory provisions in this code and payment of the appropriate privilege tax. (1995 Code, § 5-302)

5-303. Refunds. The clerk is authorized and empowered to settle and adjust with taxpayers all errors of city business taxes erroneously or illegally collected by the city and to direct the refunding of same. Any claim for such refund of taxes erroneously or illegally paid shall be filed with the clerk supported by proper proof within one (1) year from the date of payment, otherwise the taxpayer shall not be entitled to a refund and said claim for refund shall be barred. (1995 Code, § 5-303)

CHAPTER 4

WHOLESALE BEER TAX

SECTION

5-401. To be collected.

5-401. To be collected. The city clerk is hereby directed to take appropriate action to assure payment to the municipality of the wholesale beer tax levied by the "Wholesale Beer Tax Act," as set out in *Tennessee Code Annotated*, title 57, chapter 6.¹ (1995 Code, § 5-401)

¹State law reference

Tennessee Code Annotated, § 57-6-103 provides for a tax 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

PUBLIC ADVERTISING AND COMPETITIVE BIDDING**SECTION**

5-501. Amount required increased to a maximum of \$10,000.00.

5-502. Purchasing amount increased requiring no public advertisement of competitive bidding.

5-501. Amount required increased to a maximum of \$10,000.00.

The amount required for public advertising and competitive bidding in *Tennessee Code Annotated*, § 6-56-306 for the City of Fayetteville be increased to a maximum of ten thousand dollars (\$10,000.00). (1995 Code, § 5-501)

5-502. Purchase amount increased requiring no public advertisement of competitive bidding. The one thousand dollars (\$1,000.00) purchase amount set out in the Municipal Purchasing Law of 1983 below which no public advertisement or competitive bidding is required is increased to four thousand dollars (\$4,000.00). Competitive bid and advertisements are required on all purchases on ten thousand dollars (\$10,000.00) or more. (1995 Code, § 5-502, modified)

CHAPTER 6

HOTEL/MOTEL PRIVILEGE TAX

SECTION

5-601. Definitions.

5-602. Permit required.

5-603. Register required; availability for inspection.

5-604. Rooms to be numbered.

5-605. Privilege tax levied; use.

5-606. Records required.

5-601. Definitions. As used in this chapter:

(1) "Consideration" means the consideration charged, whether or not received, for the occupancy in a hotel valued in money, goods, labor or otherwise, including all receipts, cash, credits, property and services of any kind or nature without any deduction therefrom whatsoever;

(2) "Hotel" means any structure or space, or any portion thereof, 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, motel or any place in which rooms, lodgings or accommodations are furnished to transients for a consideration;

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

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

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

(6) "Transient" means any person who exercises occupancy or is entitled to occupancy of any rooms, lodgings or accommodations in a hotel for a period of less than thirty (30) continuous days. (Ord. #2015-03, June 2015)

5-602. Permit required. (1) No person will conduct, keep, manage, operate or cause to be conducted, kept, managed or operated, either as owner, lessor, agent or attorney, any hotel in the city without having obtained a permit from the city administrator or his designee to do so.

(2) Fee. The fee for each hotel permit will be twenty-five dollars (\$25.00).

(3) Not transferable. No permit issued under this chapter shall be transferred or assigned.

(4) Duration. Hotel permits shall be issued annually and shall expire on the last day of December of each year. (Ord. #2015-03, June 2015)

5-603. Register required; availability for inspection. Every person to whom a permit is issued under this chapter shall at all times keep a standard hotel register, in which shall be inscribed the names of all guests renting or occupying rooms in his hotel. Such register shall be signed in every case by the persons renting a room or by someone under his direction, and after registration is made and the name of the guest is inscribed as herein provided, the manager shall write the number of the room which guest is to occupy, together with the time such room is rented, before such person is permitted to occupy such room. The register shall be open to inspection at all times to the city administrator or his designee. (Ord. #2015-03, June 2015)

5-604. Rooms to be numbered. Each sleeping room and apartment in every hotel in the city shall be numbered in a plain and conspicuous manner. The number of each room shall be placed on the outside of the door of such room, and no two (2) doors shall bear the same number. (Ord. #2015-03, June 2015)

5-605. Privilege tax levied; use. (1) Pursuant to the provisions of *Tennessee Code Annotated*, §§ 67-4-1401 to 67-4-1425, there is hereby levied a privilege of occupancy in any hotel of each transient. From and after the operative date of this chapter the rate of the levy shall be three and one-half percent (3.5%) of the consideration charged by the operator. This privilege tax shall be collected pursuant to and subject to the provisions of these statutory provisions. The city administrator shall be designed as the authorized collector to administer and enforce this chapter and these statutory provisions.

(2) The proceeds received from this tax shall be available for the city's general fund exclusively for tourism development. Proceeds of this tax may not be used to provide a subsidy in any form to any hotel or motel.

(3) Payment of the tax. Payment of the tax by the motel to the city shall be no later than the twentieth (20th) day of each month for the preceding month.

(4) Compensation to the hotel. The hotel may deduct two percent (2%) from the amount paid to the city.

(5) Interest and penalty for late payment. The hotel operator is responsible for paying interest on delinquent taxes, eight percent (8%) per annum, plus a penalty of one percent (1%) per month. (Ord. #2015-03, June 2015)

5-606. Records required. The hotel operator must keep records for three (3) years, with the right of inspection by the city. (Ord. #2015-03, June 2015)