

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

1. REAL PROPERTY TAXES.
2. SALES AND USE TAX.
3. PRIVILEGE TAXES.
4. WHOLESALE BEER TAX.
5. COMPETITIVE BIDDING.
6. HOTEL/MOTEL PRIVILEGE TAXES.

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

- 5-101. When due and payable.
5-102. Delinquent taxes.

5-101. When due and payable. Taxes levied by the city against real property shall become due and payable in accordance with Article VIII of the charter. (2009 Code, § 5-101)

5-102. Delinquent taxes. All real property taxes which become delinquent shall be subject to such penalty and interest as is provided for in Article VIII of the charter. (2009 Code, § 5-102)

¹Charter references:
Property taxes: art. VIII.

CHAPTER 2

SALES AND USE TAX

SECTION

5-201. Tax rate.

5-202. Effective date.

5-203. Collection by the state department of revenue.

5-204. Administration and collection costs.

5-205. Suits for recovery.

5-201. Tax rate. A sales and use tax is levied at the rate of 5/22 of the rate levied in the Retailer's Sales Tax Act (*Tennessee Code Annotated*, § 67-6-701 to 67-6-712), except as limited or modified by statute. (2009 Code, § 5-201)

5-202. Effective date. If a majority of those voting in the election required by *Tennessee Code Annotated*, § 67-6-706 vote for the increase in tax imposed by this chapter, collection of the increased tax levied by this ordinance shall begin on the first day of the month occurring thirty (30) or more days after the county election commission makes its official canvas of the election returns. (2009 Code, § 5-202)

5-203. Collection by the State Department of Revenue. The Department of Revenue of the State of Tennessee shall collect the additional tax imposed by this chapter concurrent with the collection of the state tax and the local tax now being collected for the City of Kingston, in accordance with rules and regulations promulgated by the department. (2009 Code, § 5-203)

5-204. Administration and collection costs. The mayor is hereby authorized to contract with the department of revenue for the collection of the additional tax imposed by this ordinance, and to provide in the contract that the Department may deduct from the tax collected a reasonable amount or percentage to cover the expense of the administration and collection of the tax. (2009 Code, § 5-204)

5-205. Suits for recovery. In the event the tax is collected by the department of revenue, suits for the recovery of any tax illegally assessed or collected shall be brought against the state commissioner of revenue and the Mayor of the City of Kingston. (2009 Code, § 5-205)

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 said state laws. The taxes provided for in the state's "Business Tax Act" (*Tennessee Code Annotated* title 67, chapter 4,) 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. (2009 Code, § 5-301)

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 city manager to each applicant therefor upon such applicant's compliance with all regulatory provisions in this code and payment of the appropriate privilege tax. (2009 Code, § 5-302)

CHAPTER 4

WHOLESALE BEER TAX

SECTION

5-401. To be collected.

5-401. To be collected. The city manager 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 6.¹ (2009 Code, § 5-401)

¹State law reference

Tennessee Code Annotated, title 57, chapter 6 provides for a tax of seventeen percent (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.

Municipal code reference

Alcohol and beer regulations: title 8.

CHAPTER 5

COMPETITIVE BIDDING¹

SECTION

5-501. Bidding required.

5-501. Bidding required. (1) Public advertised and competitive bidding pursuant to *Tennessee Code Annotated*, § 6-56-301 is required for all purchases by the city to which said statutes apply.

(2) Formal, sealed bids shall be obtained in all transactions involving the expenditure of fifty thousand dollars (\$50,000.00) or more, and any transaction involving the expenditure of fifty thousand dollars (\$50,000.00) or more shall be evidenced by a written contract submitted to and approved by the city council. (Ord. #22-12-13-01, Jan. 2023)

¹Charter reference

Competitive bidding regulations: art. V, § 5.07.

CHAPTER 6

HOTEL/MOTEL PRIVILEGE TAXES

SECTION

- 5-601. Definitions.
- 5-602. Permit required.
- 5-603. Fee.
- 5-604. Not transferable.
- 5-605. Duration.
- 5-606. Register required; availability for inspection.
- 5-607. Rooms to be numbered.
- 5-608. Privilege tax levied; use.
- 5-609. Payment of the tax.
- 5-610. Compensation to the hotel.
- 5-611. Interest and penalty for late payment.
- 5-612. Records requirement.

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.

(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. (2009 Code, § 5-601)

5-602. Permit required. 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. (2009 Code, § 5-602)

5-603. Fee. The fee for each hotel permit will be twenty-five dollars (\$25.00). (2009 Code, § 5-603)

5-604. Not transferable. No permit issued under the ordinance comprising this chapter shall be transferred or assigned. (2009 Code, § 5-604)

5-605. Duration. Hotel permits shall be issued annually and shall expire on the last day of December of each year. (2009 Code, § 5-605)

5-606. 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. (2009 Code, § 5-606)

5-607. 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. (2009 Code, § 5-607)

5-608. 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 five percent (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 fiscal officer 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. Proceeds of this tax may not be used to provide a subsidy in any form to any hotel or motel. (2009 Code, § 5-608, modified)

5-609. Payment of the tax. Payment of the tax by the motel to the city shall be no later than the 20th day of each month for the preceding month. (2009 Code, § 5-609)

5-610. Compensation to the hotel. The hotel may deduct two percent (2%) from the amount paid to the city. (2009 Code, § 5-610)

5-611. 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. (2009 Code, § 5-611)

5-612. Records requirement. The hotel operator must keep records for three (3) years, with the right of inspection by the city. (2009 Code, § 5-612)