



## Interest on Delinquent Property Taxes

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Dear Reader:

The following document was created from the MTAS website ([mtas.tennessee.edu](https://www.mtas.tennessee.edu)). This website is maintained daily by MTAS staff and seeks to represent the most current information regarding issues relative to Tennessee municipal government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with municipal government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other MTAS website material.

Sincerely,

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## Interest on Delinquent Property Taxes

**Reference Number:** MTAS-1847

**Revenue Class:** Local Taxes

**Fund:** General

**Account No.:** 31300

**Description:** Revenue received from interest on delinquent property tax payments.

**Authorization:** T.C.A. § 67-1-701 *et seq.*; T.C.A. § 67-1-801 *et seq.*; T.C.A. § 67-5-2010.

**Requirements or Restrictions:** N/A

**Current Rate:** Interest of 1.5 percent imposed on March 1 and on the first day of **each additional month**, except as otherwise provided in reference to municipal taxes.

**Frequency of Payment:** N/A

**Late Pay Penalty:** N/A

**Exemptions:** For cities in any county having a population of not less than 24,600 nor more than 24,700 according to the federal census, upon approval by two-thirds of the governing body, the rate of interest may be reduced to an amount not less than 12 percent per year in the aggregate. In addition, members serving in the armed services in an active hostility outside the U.S. have additional time before interest accrues. T.C.A. § 67-5-2011.

**Collection:** Interest is collected, along with delinquent property taxes. T.C.A. § 67-5-2001 *et seq.*

**Use Restrictions:** None.

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*DISCLAIMER: The letters and publications written by the MTAS consultants were written based upon the law at the time and/or a specific sets of facts. The laws referenced in the letters and publications may have changed and/or the technical advice provided may not be applicable to your city or circumstances. Always consult with your city attorney or an MTAS consultant before taking any action based on information contained in this website.*

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