



## State Alcoholic Beverage Tax

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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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## State Alcoholic Beverage Tax

**Reference Number:** MTAS-1878

**Revenue Class:** Intergovernmental Revenue

**Fund:** General

**Account No.:** 33540

**Description:** Any seized intoxicating liquors or vehicles associated with the production or transport of illegal intoxicating liquors are turned over to the Alcoholic Beverage Commission for public sale as contraband by the Commissioner of General Services. A portion of the revenue from sales of these contraband items goes to the municipality where the officer who made the seizure works.

**Authorization:** T.C.A. § 57-9-115; T.C.A. § 59-9-201

**Requirements or Restrictions:** None

**Current Rate:** Ninety percent of proceeds from the sale of seized liquor and 50 percent of proceeds from the sale of seized vehicles, aircraft and boats.

**Frequency of Payment:** Periodic. Depends on the frequency of seizures by cities and sales by the state.

**Late Pay Penalty:** N/A

**Exemptions:** N/A

**Collection:** The Commissioner of General Services collects the money at the time of the sale then forwards it to municipalities.

**Use Restrictions:** N/A

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