



Gross Receipts: TVA

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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Gross Receipts: TVA

Reference Number: MTAS-1881

Revenue Class: Intergovernmental Revenue

Fund: General

Account No.: 33591

Description: TVA pays five percent of gross power sales proceeds to the state in lieu of taxes. 48.5 percent of the increase in TVA payments made to the State of Tennessee above the amount received in the base year (1977-1978) is distributed to county and municipal governments.

Authorization: T.C.A. § 67-9-101 *et seq.* and 16 USC 831i

Requirements or Restrictions: Before making the 30 percent of the 48.5 percent distribution to cities and counties, the state deducts \$4,462 monthly and appropriates it to the Tennessee Advisory Commission on Intergovernmental Relations (TACIR).

Current Rate: Thirty percent of 48.5 percent (minus \$4,462) collected above the base rate set in 1978 to cities based upon population.

Frequency of Payment: Quarterly.

Late Pay Penalty: N/A

Exemptions: N/A

Collection: State remits municipality's share quarterly.

Use Restrictions: None

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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