

TITLE 5

MUNICIPAL FINANCE AND TAXATION¹

CHAPTER

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CHAPTER 1

MISCELLANEOUS

SECTION

- 5-101. Official depository for city funds.
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- 5-103. Budget amendment.
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5-101. Official depository for city funds. Sevier County Bank, Citizen's National Bank, BB&T, Tennessee State Bank, Home Federal Bank, Smart Bank, First Tennessee Bank, and investment depositories recommended by Cumberland Securities are hereby designated the official depositories of the City of Pigeon Forge. All deposits totaling more than one hundred thousand dollars (\$100,000.00) shall be secured in a manner satisfactory to the city recorder. All other deposits shall be insured by an agency of the federal government.² (1979 Code, § 6-101, as amended by Ord. #619, April 2000, and replaced by Ord. #903, Feb. 2010, and Ord. #1025, Sept. 2016)

¹Charter reference
Finance and taxation: title 6, chapter 22.

²Charter reference
Tennessee Code Annotated, § 6-22-120 prescribes depositories for city funds.

5-102. Fiscal year¹ of the city. The fiscal year of the city shall begin on July 1 and end on June 30. (1979 Code, § 6-102)

5-103. Budget amendment. Prior to the approval of any amendment to the annual budget that would increase appropriations for the expenditure of city funds, the board of mayor and commissioners shall approve a resolution that identifies a corresponding source of funds to cover the proposed additional expenditure, and/or identifies a corresponding reduction in expenditure to compensate for the proposed additional expenditure. (1979 Code, § 6-103)

5-104. Purchasing. All purchases and leases or lease purchase agreements shall be made and entered into only after public advertisement and competitive bid, except as follows:

(1) Purchases costing less than ten thousand dollars (\$10,000.00); provided that this exemption shall not apply to purchases of like items which individually cost less than ten thousand dollars (\$10,000.00), but which are customarily purchased in lots of two or more, if the total purchase price of such items would exceed ten thousand dollars (\$10,000.00) during any fiscal year;

(2) Any goods or services which may not be procured by competitive means because of the existence of a single source of supply or because of a proprietary product. A record of all such sole source or proprietary purchases shall be made by the person or body authorizing such purchases and shall specify the amount paid, the items purchased, and from whom the purchase was made. A report of such sole source or proprietary purchases shall be made as soon as possible to the municipal governing body and the chief executive officer of the municipality and shall include all items of information as required for the record;

(3) Purchases or leases of any supply, materials or equipment for immediate delivery in actual emergencies arising from unforeseen causes, including delays by contractors, delays in transportation, and unanticipated volume of work. A record of such emergency purchase shall be made by the person or body authorizing such emergency purchases, and shall specify the amount paid, the items purchased, from whom the purchase was made and the nature of the emergency. A report of any emergency purchase shall be made as soon as possible to the municipal governing body and the chief executive officer of the municipality, and shall include all items of information as required in the record;

(4) Leases or lease purchase agreements requiring total payment of less than five thousand dollars (\$5,000.00) in each fiscal year the agreement is

¹Charter reference

Tennessee Code Annotated, § 6-22-121 provides that the fiscal year of the city shall begin on July 1 unless otherwise provided by ordinance.

in effect; provided, that this exemption shall not apply to leases of like or related items which individually may be leased or lease purchased with total payments of less than five thousand dollars (\$5,000.00) in any fiscal year, but which are customarily leased or lease purchased in numbers of two (2) or more, if the total lease or lease purchase payment for such items under a single agreement would be five thousand dollars (\$5,000.00) or more in any fiscal year;

(5) Purchases, leases, or lease purchases of real property;

(6) Purchases, leases, or lease purchases from any federal, state, or local governmental unit or agency of second hand articles or equipment or other materials, supplies, commodities, and equipment;

(7) Purchases of perishable commodities may be exempt from the requirements of public advertisement and competitive bidding, when such items are purchased in the open market. A record of all such purchases shall be made by the person or body authorizing such purchases and shall specify the amount paid, the items purchased, and from whom the purchase was made. A report of such purchases shall be made, at least monthly, to the chief executive officer and the governing body, and shall include all items of information as required in the record.

(8) Fuel and fuel products may be purchased in the open market without public advertisement, but shall whenever possible be based on at least three (3) competitive bids. Fuel and fuel products may be purchased from the department of general services contract where available; and

(9) Purchases for resale of natural gas and propane gas and on purchase, lease, or lease purchases of more than two thousand-five hundred dollars (\$2,500.00), the city manager shall solicit informal proposals from providers. (as added by Ord. #535, § 1, Jan. 1997, and amended by Ord. #974, Dec. 2013)

CHAPTER 2

PROPERTY TAXES¹

SECTION

5-201. When due and payable.

5-202. When delinquent--penalties.

5-203. Tax rate levied.

5-201. When due and payable.² Taxes levied by the city against property shall become due and payable annually on the 17th day of October of the year for which levied. (1979 Code, § 6-201)

5-202. When delinquent--penalties.³ On the first day of March following the year for which said taxes are levied, a penalty of two per cent (2%) upon all such taxes remaining unpaid shall be imposed and collected by the city

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.

Tennessee Code Annotated, § 67-5-2010(b) provides that if the county trustee collects the municipality's property taxes, a penalty of 1/2 of 1% and interest of 1% shall be added on the first day of March, following the tax due date and on the first day each succeeding month.

²Charter references

Tennessee Code Annotated, § 6-22-110 sets the due date of November 1 of the year for which the taxes are assessed, but Tennessee Code Annotated, § 6-22-113 provides that a different tax due date may be set by ordinance (by unanimous vote of the board of commissioners.)

³Charter reference

Tennessee Code Annotated, § 6-22-112 sets the tax delinquency of December 1 of the year for which the taxes are assessed, but Tennessee Code Annotated, § 6-22-113 provides that a different delinquent date may be set by ordinance (by unanimous vote of the board of commissioners).

and paid into the city treasury. An additional penalty of two per cent (2%) shall be added for each month thereafter, for up to twelve (12) months, that such taxes remain unpaid.¹ (1979 Code, § 6-202)

5-203. Tax rate levied. Tax rate levies for taxable property within the corporate limits of Pigeon Forge, as amended from time to time, may be reviewed in the office of the city recorder. (as added by Ord. #1002, June 2015)

¹Charter reference

Tennessee Code Annotated, § 6-22-114 directs the finance director to turn over the collection of delinquent property taxes to the county trustee.

State law reference

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

CHAPTER 3

PRIVILEGE TAXES GENERALLY

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 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 of Pigeon Forge at the rates and in the manner prescribed by the act. (1979 Code, § 6-301)

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 recorder to each applicant therefor upon the applicant's compliance with all regulatory provisions in this code and payment of the appropriate privilege tax. (1979 Code, § 6-302)

CHAPTER 4

PRIVILEGE TAX ON PRIVATE CLUBS

SECTION

5-401. Tax levied.

5-401. Tax levied. It is hereby declared the legislative intent that every person is exercising a taxable privilege who engages in the business of selling at retail in this city alcoholic beverages for consumption on or off the premises. For the exercise of such privilege, the following tax is levied for city purposes to be paid annually, to wit:

Private Club \$300.00

The amount of privilege tax as set out herein shall be for one (1) year and each privilege license shall expire on the expiration of the seller's state license for that year. The privilege tax as set out herein shall be paid to the city recorder of the City of Pigeon Forge. All clubs already operating as of the effective date of this provision, but which have less than one (1) year to the expiration date of their current license, shall pay a pro rata portion of the \$300.00 fee set out herein. (1979 Code, § 6-401)

CHAPTER 5

PIGEON FORGE GROSS RECEIPTS TAX

SECTION

- 5-501. Title.
- 5-502. Definitions.
- 5-503. Tax levied.
- 5-504. When due and payable, penalty and interest for delinquency, assessments by recorder, records.
- 5-505. Procedure when tax return is not filed, is fraudulent, etc.
- 5-506. Issuance of distress warrants for collection of tax.
- 5-507. Discontinuance or transfer of business.
- 5-508. Refunds or credit for overpayment of tax; forms for filing returns; recorder to enforce, make rules and regulations, etc.

5-501. Title. This chapter shall be known as the "Pigeon Forge Gross Receipts Tax Ordinance" and the tax herein imposed shall be in addition to all other privilege taxes. (1979 Code, § 6-501)

5-502. Definitions. The following words, terms and phrases, when used in this chapter, shall be the meanings ascribed to them in this section, except when the context clearly indicates a different meaning:

(1) "Person" includes any individual, firm, partnership, corporation, estate, trust, receiver, syndicate, or other group or combination acting as a unit, and the plural as well as the singular number.

(2) The term "gross receipts" shall mean the total receipts, whether paid in money or otherwise, of all persons subject to the chapter, before anything whatsoever of any kind or character is deducted.

(3) The term "doing business" includes any activity engaged in by any person, or caused to be engaged in by him, with the object of gain, benefit, or advantage, either direct or indirect. The term "doing business" shall not be construed in this chapter to include occasional or isolated transactions by a person who does not hold himself out as engaged in business within the corporate limits of the City of Pigeon Forge.

(4) The term "city recorder" means and includes the City Recorder of the City of Pigeon Forge, or his duly authorized assistants.

(5) "Tangible personal property" means and includes personal property, which may be seen, weighed, measured, felt, or touched, or is in any other manner perceptible to the senses. The term "tangible personal property" shall not include stocks, bonds, notes, insurance, or other obligations or securities. (1979 Code, § 6-502)

5-503. Tax levied. It is hereby declared to be the legislative intent that every person is exercising a taxable privilege who is doing business within the corporate limits of the City of Pigeon Forge, and for the exercise of said privilege there is hereby levied a tax of one percent (1%) upon the gross receipts of all such persons.

(1) The tax so levied shall specifically include, but shall not be limited to, the following privileges:

The privilege of selling tangible personal property at wholesale or retail; the privilege of renting or furnishing things or services; the privilege of storing tangible personal property within the limits of said municipality for sale; the privilege of renting any rooms, lodging or accommodations furnished to transients by any hotel, inn, tourist cabin, tourist court, tourist camp, motel, or any other place in which rooms, lodgings or accommodations are furnished to transients for a consideration; the privilege of operating or conducting a garage, parking lot, and other place of business for the purpose of parking or storing motor vehicles; the privilege of operating places of amusement, sports or entertainment, including billiard or pool halls, bowling alleys, amusement devices, musical devices, amusement parks, carnivals, circuses, horse shows, athletic contests, wrestling matches, prize fights, boxing and wrestling exhibitions, skating rinks, public bathing houses, public dance halls, museums, riding academies, tourist guide services, "sky-lift" services, swimming pools, shooting galleries, miniature golf courses or any other place at which any exhibition, display, amusement, or entertainment is offered to the public or place or places where an admission fee is charged.

(2) The said tax is hereby levied upon all persons doing business, as defined in § 5-502 hereof, within the corporate limits of the City of Pigeon Forge, regardless of whether or not such business privilege is enumerated in sub-paragraph (1) of this section.

(3) The said tax shall be collected from all persons as defined herein and paid at the time and in the manner as hereinafter provided.

(4) The tax so levied and shall be in addition to all other taxes, whether levied in the form of excise, license, or privilege taxes, and shall be in addition to all other fees and taxes levied.

(5) It is specifically provided that said tax shall be paid by and absorbed by the person, firm, or corporation doing business or exercising any of the foregoing privileges, and shall not be passed on to or paid by customers, vendees, consumers, and patrons paying therefor. (1979 Code, § 6-503)

5-504. When due and payable, penalty and interest for delinquency, assessments by recorder, records. (1) The gross receipts tax of one-half percent (1%) levied hereunder shall be due and payable monthly,

beginning on the effective date of the ordinance,¹ and for the purpose of ascertaining the amount of tax payable under this chapter it shall be the duty of all persons subject to this tax on or before the 20th day of the month following the month in which this tax shall become effective to submit to the city recorder, upon forms prescribed, prepared and furnished by him, returns, showing the gross receipts arising from the doing of business during the preceding calendar month; and thereafter like returns shall be prepared and submitted to said city recorder by all persons subject to this chapter on or before the 20th day of each month, for the preceding calendar month.

(2) When any person subject to this chapter shall fail to make any return and pay the full amount of the tax required by this chapter there shall be imposed, in addition to other penalties provided herein, a specific penalty to be added to the tax in the amount of five percent (5%), if the failure is for not more than thirty (30) days, with an additional five percent (5%) for each additional thirty (30) days, or fraction thereof, during which the failure continues, not to exceed twenty-five percent (25%) in the aggregate. In the case of a false or fraudulent return, where willful intent exists to defraud the City of Pigeon Forge of any tax due under this chapter, a specific penalty of fifty percent (50%) of tax bill shall be assessed.

When any person fails to remit any tax, or any portion thereof, on or before the day when such tax shall be required by law to be paid there shall be added to the amount due interest at the rate of six percent (6%) per annum from the date due until paid.

All penalties and interest imposed by this chapter shall be payable to and collectible by the city recorder in the same manner as if they were a part of the tax imposed.

The city recorder for good cause may extend for a period not to exceed thirty (30) days the time for making any returns required under the provisions of this chapter.

(3) In the event any person fails to make a report and pay the tax as provided by this chapter, or in case any person makes a grossly incorrect return, or a return that is false or fraudulent it shall be the duty of the city recorder to make an estimate for the taxable period of such person's gross receipts, and assess and collect the tax and interest, plus penalties if such have accrued, on the basis of such assessment, which shall be considered prima facie correct, and the burden to show the contrary shall rest upon the person owing said tax.

(4) It shall be the duty of every person required to make a return and pay said tax under this chapter to keep and preserve suitable records of the gross receipts of such person taxable under this chapter, and such other books of account as may be necessary to determine the amount of tax due hereunder,

¹Ordinance #184 was adopted on 3rd and final reading on June 9, 1980, to "take effect (15) days from and after its passage...."

and other information as may be required by the city recorder, and it shall be the duty of every such person, moreover, to keep such books of account for a period of two years, and all such books of account or other records shall be open to examination at all reasonable hours to the city recorder or any of his authorized agents. (1979 Code, § 6-504, as amended by Ord. #333, Oct. 1986; Ord. #521, July 1996; and Ord. #700, June 2003)

5-505. Procedure when tax return is not filed, is fraudulent, etc.

(1) If any person subject to making and filing a return required by the provisions of this chapter fails to render such return within the time required or renders a return which is false or fraudulent in that it contains statements which differ from the true gross receipts taxable under this chapter, or otherwise fails to comply with the provisions of this chapter for the taxable period for which said return is made, the city recorder shall give such person (10) days notice in writing requiring such person to appear before him or his assistant with such books, records and papers as to may require relating to the business of such person for such taxable period; and said city recorder may require such person, or the agents and employees of such person, to give testimony or to answer interrogatories under oath administered by the city recorder or his assistants respecting the gross receipts of such person subject to tax or the failure to make report thereof as provided in this chapter.

(2) If any such person fails to make any such return or refuses to permit an examination of his books of account or records, or to appear and answer questions within the scope of such investigation relating to his gross receipts, the city recorder is hereby authorized to make an assessment based upon such information as may be available to him and to issue a distress warrant for the collection of any such taxes, interest or penalties found to be due. Any such assessment shall be deemed prima facie correct.

(3) At the time of submitting the return required hereunder to the city recorder, the persons subject to this chapter shall remit to him therewith the amount of tax due under the applicable provisions of this chapter and failure to remit such tax shall cause said tax to become delinquent.

(4) All taxes, interest, and penalties imposed under this chapter shall be paid to the city recorder of the City of Pigeon Forge in the form of remittance required by him.

(5) All persons subject to the provisions of this chapter failing or refusing to furnish any return herein required to be made, or failing or refusing to furnish a supplemental return or other data required by the city recorder, or who shall violate any other provision of this chapter, shall be guilty of a misdemeanor and upon conviction shall be punished by a fine not exceeding fifty

dollars (\$50.00). Each day's violation shall be deemed a separate offense and punishable as such. (1979 Code, § 6-505)

5-506. Issuance of distress warrants for collection of tax. The tax imposed by this chapter shall for each month become delinquent on the twenty-first day of each succeeding month.

The city recorder is hereby empowered and it shall be his duty when any tax becomes delinquent under this chapter to issue in the name of the city a distress warrant for the collection of the tax, interest, and penalty from each delinquent taxpayer. Said distress warrant shall run in the name of the city and shall be addressed to, and may be executed by, the chief of police or any police officer of the city, or by the sheriff or any deputy sheriff of Sevier County, and may be made returnable at any time not exceeding thirty (30) days from the date of issuance to the office of the city recorder.

Upon levy of such distress warrant upon the property of any such person who may be delinquent on the payment of said tax, the officer making said levy will advertise the same for sale as in cases of execution sales under the laws of the State of Tennessee, and, upon making sale shall make due return of the said warrant to the office of said city recorder, and will pay over to the said city recorder all sums realized therefrom.

In case any officer shall make a levy under a distress warrant so issued and he shall not have sufficient time to advertise and make sale before the return of said warrant, the city recorder is authorized upon the return thereof to issue a new distress warrant or extend the time of the old distress warrant so the legal advertisement and sale may be made pursuant to said levy. (1979 Code, § 6-506)

5-507. Discontinuance or transfer of business. If any person liable for any tax, interest, or penalty levied hereunder shall sell out his business or stock of goods, or shall quit the business, he shall make a final return and payment within fifteen (15) days after the date of selling or quitting the business. His successor, successors, or assigns, if any, shall withhold sufficient of the purchase money to cover the amount of such taxes, interests and penalties due and unpaid until such former owner shall produce a receipt from the city recorder showing that they have been paid, or a certificate stating that no taxes, interest, or penalties are due. If the purchaser of a business or stock of goods shall fail to withhold the purchase money as above provided, said purchaser shall be personally liable for the payment of the taxes, interest, and penalties accruing and unpaid on account of the operation of the business by any former owner, owners, or assigns. (1979 Code, § 6-507)

5-508. Refunds or credit for overpayment of tax; forms for filing returns; recorder to enforce; make rules and regulations, etc. The city recorder is hereby empowered, for good cause shown, to refund to any taxpayer

any overpayment of the taxes due under this chapter, and for this purpose the city recorder may issue to any person an official credit memorandum for such overpayment of taxes which may be accepted in the remittance for subsequent taxes accrued under the provisions of this chapter. Provided, however, in cases where a person has retired from business and has filed a final return, a refund of taxes may be made if it can be established to the satisfaction of the city recorder that the tax was not due. Application for such refund, however, must be made within a period of ninety (90) days after the filing of such final return.

The city recorder shall design, prepare, print, and furnish to all persons, or make available to all persons who are subject to this chapter all necessary forms for filing returns and instructions to insure a full collection from such persons and an accounting for the taxes due, but failure of any person to secure such forms shall not relieve such person from the payment of said tax the time and in the manner herein provided.

The city recorder and his assistants are hereby authorized and empowered to administer the oath for the purpose of enforcing and administering the provisions of this chapter.

The city recorder shall have the power to make and publish reasonable rules and regulations not inconsistent with this chapter or other laws or the Constitution of the State of Tennessee or the United States, for the enforcement of the provisions of this chapter and the collection of revenues hereunder. (1979 Code, § 6-508)

CHAPTER 6

HOTEL-MOTEL TAX¹

SECTION

- 5-601. Definitions.
- 5-602. Levy of tax.
- 5-603. Tax added to room invoice.
- 5-604. Remittance to city recorder.
- 5-605. Offer to absorb tax prohibited.
- 5-606. Penalties and interest for delinquency.
- 5-607. Records.
- 5-608. Administration.
- 5-609. Expending and distributing tax.
- 5-610. Tax is additional tax.
- 5-611. Rules and regulations.

5-601. Definitions. For the purpose of this chapter, the following definitions shall apply:

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

(2) "Hotel" means any structure, or any portion of and structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist court, 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 the use of possession, of any room, lodgings or accommodations in any hotel.

(4) "Transient" means any person who exercises occupancy or is entitled to occupancy for any rooms, lodgings, or accommodations in a hotel for a period of less than ninety (90) continuous days.

(5) "Consideration" means the consideration charged whether or not received, for the occupancy in a hotel valued in money whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits, property and services of any kind or nature without any deduction therefrom whatsoever. Nothing in this definition shall be construed to imply that consideration is charged when the space provided to the person is complimentary from the operator and no consideration is charged to or received from any person.

¹See Priv. Acts 1978, ch. 218 and Priv. Acts 1979, ch. 159.

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

(7) "Tourism" means the planning and conducting of programs of information and publicity designed to attract to the municipality tourists, visitors and other interested persons from outside the area and also encouraging and coordinating the efforts of other public and private organizations or groups of citizens to publicize the facilities and attractions of the area for the same purposes. It also means the acquisition, construction, and remodeling of facilities useful in the attraction and promoting of tourism, conventions, and recreational business. (1979 Code, § 6-601)

5-602. Levy of tax. There is hereby levied a privilege tax upon the privilege of occupancy in any hotel of each transient in an amount of two and one half percent (2.50%) of the consideration charged by the operator. Said tax so imposed is a privilege tax upon the transient occupying said room and is to be collected and distributed as hereinafter provided. (1979 Code, § 6-602, as amended by Ord. #927, June 2011)

5-603. Tax added to room invoice. Said tax shall be added by each and every operator to each invoice prepared by the operator for the occupancy of his hotel, such invoice to be given directly or transmitted to the transient, and shall be collected by such operator from the transient and remitted to the City of Pigeon Forge. (1979 Code, § 6-603)

5-604. Remittance to city recorder. The tax hereby levied shall be remitted by all operators who lease, rent, or charge for any rooms to the city recorder. Said tax to be remitted to such officer not later than the 20th day of each month next following collection from the transient. (1979 Code, § 6-604, as amended by Ord. #701, June 2003)

5-605. Offer to absorb tax prohibited. No operator of a hotel shall advertise or state in any manner whether directly or indirectly that the tax or any part thereof will be assumed or absorbed by the operator, or that it will be added to the rent, or that, if added, any part will be refunded. (1979 Code, § 6-605)

5-606. Penalties and interest for delinquency. Taxes collected by an operator which are not remitted to the city recorder on or before the due dates are delinquent. An operator shall be liable for interest on such delinquent taxes from the due date at the rate of six percent (6%) per annum, and in addition for

penalty of one-half of one percent (1/2 of 1%) for each month or fraction thereof such taxes are delinquent. Such interest and penalty shall become a part of the tax herein required to be remitted. Willful refusal of an operator to collect or remit the tax or willful refusal of a transient to pay the tax imposed is hereby declared to be unlawful and shall constitute a misdemeanor. The fine shall be applicable to each individual transaction involving lodging services paid by a customer to the operator in those cases when the operator fails or refuses to pay the tax payable to the city recorder. (1979 Code, § 6-606)

5-607. Records. It shall be the duty of every operator liable for the collection and payment of this tax, to keep and preserve for a period of three (3) years all records necessary to determine the amount of such tax for whose collection and payment to the municipality he may have been liable, which records the city recorder shall have the right to inspect at all reasonable times. (1979 Code, § 6-607)

5-608. Administration. In administering and enforcing the provisions of this chapter, the city recorder shall have as additional powers the powers and duties with respect to collection of taxes provided in Tennessee Code Annotated, title 67, or otherwise provided by law.

Upon any claim or illegal assessment and collection, the taxpayer shall have the remedy provided in Tennessee Code Annotated, § 67-1-911, it being the intent of this chapter that the provisions of law which apply to the recovery of taxes illegally assessed and collected shall apply to the tax collected under the authority of this chapter; provided, the city recorder shall possess those powers and duties as provided in Tennessee Code Annotated, § 67-1-707(a) and (b), with respect to the adjustment and settlement with taxpayers of all errors of taxes collected by him under the authority of this chapter and to direct the refunding of the same. Notice of any tax paid under protest shall be given to the city recorder, and suit for recovery shall be brought against him. (1979 Code, § 6-608)

5-609. Expending and distributing tax. The proceeds from the tax levied herein shall be retained by the municipality and distributed as follows:

(1) One-third (1/3) of the proceeds shall be used for direct promotion of tourism.

(2) One-third (1/3) of the proceeds shall be used for tourist related activities.

(3) One-third (1/3) of the proceeds shall be deposited in the general funds of the municipality.

Proceeds of this tax may not be used to provide a subsidy in any form to any hotel or motel. (1979 Code, § 6-609)

5-610. Tax is additional tax. The tax herein levied shall be in addition to all other taxes levied or authorized to be levied whether in the form of excise, license, or privilege taxes, and shall be in addition to all other fees and taxes now levied or authorized to be levied. (1979 Code, § 6-610)

5-611. Rules and regulations. The city recorder shall have the power to make and publish reasonable rules and regulations not inconsistent with this chapter or other laws, for the enforcement of the provisions of this chapter and the collection of revenues hereunder. Further the city recorder shall design, prepare, print and make available to all persons who are subject to this chapter, all necessary forms for filing returns and instructions to insure full compliance with the provisions of this chapter. (1979 Code, § 6-611)

CHAPTER 7

AMUSEMENT TAX¹

SECTION

- 5-701. Definitions.
- 5-702. Levy of tax.
- 5-703. Tax added to ticket.
- 5-704. Remittance to city recorder.
- 5-705. Offer to absorb tax prohibited.
- 5-706. [Deleted.]
- 5-707. Penalties and interest for delinquency.
- 5-708. Records.
- 5-709. Administration.
- 5-710. Expending and distributing tax.
- 5-711. Tax is additional tax.

5-701. Definitions. As used in this chapter, unless the context requires otherwise, the following definitions shall apply:

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

(2) "Amusement" means any theater, motion picture house, cinema, athletic contest, exhibition, pageant, show, production, demonstration, play, performance, concert, musicale, recital, reading, circus, carnival, act, exhibit, lecture, address, nightclub, cabaret, dance, dance hall, restaurant which provides either floorshow, singing, dancing, or dancing facilities for patrons, any ride or excursion where passengers are taken on and discharged within the county boundaries, any amusement park, theme park, museum, swimming pool, wave pool, water slide, bumper cars, bumper boats, shooting galleries, and all games of skill or chance, as well as all mechanical or electrical devices operated for pleasure or skill where a fee is charged for admission or entrance or for the purpose of playing them, or where there is any charge whatever for them or in connection with them either directly or indirectly, where such games or devices are located in any amusement park or amusement center.

(3) "Admission" means admission into or for an amusement after consideration paid by single ticket, season ticket or subscription; for any admission charged within any enclosure in addition to the initial charge for admission to such enclosure; and for the use of sporting or recreational facilities or equipment, including the rental of such facilities or equipment; and shall apply on admission fees or charges, whether or not a ticket is actually issued.

¹See Priv. Acts 1979, ch. 98.

(4) "Consumer" means any person who pays consideration into or for an amusement.

(5) "Consideration" means the consideration charged whether or not received, for an admission for an amusement valued in money whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits, property and services of any kind or nature without any deduction therefrom whatsoever. Nothing in this definition shall be construed to imply that consideration is charged when the service provided to the person is complimentary from the operator and no consideration is charged to or received from any person.

(6) "Operator" means the person operating an amusement.

(7) "Tourism" means the planning and conducting of programs of information and publicity designed to attract to the municipality tourists, visitors and other interested person from outside the area and also encouraging and coordinating the efforts of other public and private organizations or groups of citizens to publicize the facilities and attractions of the area for the same purposes. It also means the acquisition, construction, and remodeling of facilities useful in the attraction and promoting of tourist, conventions, and recreational business. (1979 Code, § 6-701)

5-702. Levy of tax. There is hereby levied a privilege tax upon the privilege of a consumer paying consideration for admission into or for an amusement within the corporate limits of the City of Pigeon Forge at two and one half percent (2.50%) of the consideration charged by the operator. Said tax so imposed is a privilege tax upon the consumer enjoying the amusement and is to be collected and distributed as hereinafter provided. (1979 Code, § 6-702, as amended by Ord. #926, June 2011)

5-703. Tax added to ticket. Such tax shall be added by each and every operator to each ticket sold for a consideration for admission into or for such amusement, and shall be collected by such operator from the consumer and remitted to the city recorder. The tax shall not be assumed by the operator. Where the tax calculated on any individual admission ticket includes any fraction of a cent, the next highest full cent shall be charged. (1979 Code, § 6-703)

5-704. Remittance to city recorder. The tax hereby levied shall be remitted by all operators who lease, rent, or own an amusement to the city recorder of the City of Pigeon Forge, to be emitted to such officer not later than the 20th day of each month next following collection from the consumer. The city recorder may promulgate reasonable rules and regulations for the enforcement and collection of the tax, shall prescribe any necessary forms, and may, by regulations, set other reporting and paying dates and periods. (1979 Code, § 6-704)

5-705. Offer to absorb tax prohibited. No operator of an amusement shall advertise or state in any manner whether directly or indirectly that the tax or any part thereof will be assumed or absorbed by the operator, or that it will be added to the consideration, or that, if added, any part will be refunded. (1979 Code, § 6-705)

5-706. [Deleted.] (1979 Code, § 6-706, as deleted by Ord. #862, March 2008)

5-707. Penalties and interest for delinquency. Taxes collected by an operator which are not remitted to the city recorder on or before the due dates are delinquent. An operator shall be liable for interest on such delinquent taxes from the due date at the rate of six percent (6%) per annum, and in addition for penalty of one-half of one percent (1/2 of 1%) for each month or a fraction thereof such taxes are delinquent. Such interest and penalty shall become a part of the tax herein required to be remitted. Willful refusal of an operator to collect or remit the tax or willful refusal of a consumer to pay the tax imposed is hereby declared to be unlawful and shall constitute a misdemeanor. The fine shall be applicable to each individual transaction involving an amusement taxable by this act when the operator fails or refuses to pay the tax payable to the city recorder. (1979 Code, § 6-707)

5-708. Records. It shall be the duty of every operator liable for the collection and payment to the City of Pigeon Forge of any tax levied under the authority granted by this chapter to keep and preserve for a period of three (3) years all records necessary to determine the amount of such tax for whose collection and payment to the City of Pigeon Forge he may have been liable, which records the city recorder shall have the right to inspect at all reasonable times. (1979 Code, § 6-708)

5-709. Administration. In administering and enforcing the provisions of this act, the city recorder shall have as additional powers the powers and duties with respect to collection taxes provided in Tennessee Code Annotated, title 67; or otherwise provided by law.

Upon any claim of illegal assessment and collection, the taxpayer shall have the remedy provided in Tennessee Code Annotated, § 67-1-911, it being the intent of this act that the provisions of law which apply to the recovery of taxes illegally assessed and collected shall apply to the tax collected under the authority of this chapter; provided, the city recorder shall possess those powers and duties as provided in Tennessee Code Annotated, § 67-1-707(a) and (b), with respect to the adjustment and settlement with taxpayers of all errors of taxes collected by him under the authority of this act and to direct the refunding of the same. Notice of any tax paid under protest shall be given to the city recorder, and suit for recovery shall be brought against him. (1979 Code, § 6-709)

5-710. Expending and distributing tax. The proceeds from the tax levied herein shall be retained by the City of Pigeon Forge and distributed as follows:

(1) One-third (1/3) of the proceeds shall be used for direct promotion of tourism.

(2) One-third (1/3) of the proceeds shall be used for tourist-related activities.

(3) One-third (1/3) of the proceeds shall be deposited in the general funds of the municipality.

Proceeds of this tax may not be used to provide a subsidy to any amusement. (1979 Code, § 6-710)

5-711. Tax is additional tax. The tax herein levied shall be in addition to all other taxes levied or authorized to be levied whether in the form of excise, license, or privilege taxes, gross receipts tax, and shall be in addition to all other fees and taxes now levied or authorized to be levied. (1979 Code, § 6-711)

CHAPTER 8

PRIVILEGE TAX ON ALCOHOLIC BEVERAGES

SECTION

5-801. Tax levied.

5-802. City recorder to collect.

5-801. Tax levied. (1) There is hereby levied a privilege tax on any business engaged in the selling at retail of alcoholic beverages as defined in Tennessee Code Annotated, § 57-4-102 for consumption on the premises as follows:

(a)	Private club	\$300.00
(b)	Hotel/motel	\$1,000.00
(c)	Convention center	\$500.00
(d)	Restaurant--according to seating capacity on licensed premises:	
(i)	75 to 125 seats	\$600.00
(ii)	126 to 175 seats	\$750.00
(iii)	176 to 225 seats	\$800.00
(iv)	226 to 275 seats	\$900.00
(v)	276 and over	\$1,000.00
(e)	Caterer	\$500.00

(2) If a restaurant is licensed by the State of Tennessee to sell wine only the privilege tax imposed shall be one fifth (1/5) the amount specified in subsection (1).

(a)	Community theater	\$300.00
(b)	Museum	\$300.00
(c)	Theater	\$300.00

(as added by Ord. #953, Dec. 2012, and amended by Ord. #976, Dec. 2013)

5-802. City recorder to collect. The tax shall be collected annually by the city recorder in advance of that year's privilege to sell alcoholic beverages as referred to herein. (as added by Ord. #953, Dec. 2012)

CHAPTER 9**RESTAURANT PRIVILEGE TAX****SECTION**

- 5-901. Levy of tax.
- 5-902. Tax added to food invoice.
- 5-903. Remittance to city recorder.
- 5-904. Exemptions.
- 5-905. Penalties and interest for delinquency.
- 5-906. Records.
- 5-907. Administration.
- 5-908. Tax is additional tax.
- 5-909. Rules and regulations.
- 5-910. Use of proceeds.
- 5-911. Severability.

5-901. Levy of tax. There is hereby levied a privilege tax upon the privilege of purchasing food from any establishment selling prepared food in the City of Pigeon Forge, whether for consumption on-premises or off-premises, including but not limited to restaurants, cafes, cafeterias, caterers, delicatessens, snack bars, ice cream parlors, lunch rooms or counters within other retail businesses, and other similar establishments engaged in selling prepared food. Without limiting the forgoing, the establishments covered by this chapter include, but are not limited to, any "food service establishment" as defined in Tennessee Code Annotated, title 68. Said privilege tax shall be in an amount equal to one percent (1 %) of the consideration charged by the operators of said establishments. Said tax so imposed is a privilege upon the purchasing of food by patrons of said establishments and is to be collected and distributed as hereinafter provided. (as added by Ord. #973, Dec. 2013)

5-902. Tax added to food invoice. Said tax shall be added by each and every operator of establishments covered by this chapter to each invoice prepared by the operator of said establishment. Said invoice shall be given directly to the purchaser and shall be collected by the operator from the purchaser at the time of sale. Where the tax calculated includes any fraction of a cent, the next highest full cent shall be charged. (as added by Ord. #973, Dec. 2013)

5-903. Remittance to city recorder. The tax hereby levied shall be remitted by all operators of establishments subject to said tax to the city recorder. Said tax shall be remitted to the city recorder not later than the twentieth day of each month next following collection from the purchaser. The city recorder may promulgate reasonable rules and regulations for the

enforcement and collection of the tax, shall prescribe any necessary forms, and may, by regulations, set other reporting and paying dates and periods. (as added by Ord. #973, Dec. 2013)

5-904. Exemptions. The provisions of this chapter shall not apply to food prepared to be served at churches, schools, senior citizen centers or nursing homes, and at boarding houses where the cost of food is included in the rental rate. The provisions of this chapter shall not apply to the sale of alcoholic beverages in any form, manner, time or place. (as added by Ord. #973, Dec. 2013)

5-905. Penalties and interest for delinquency. Taxes collected by an operator which are not remitted to the city recorder on or before the due dates are delinquent. An operator shall be liable for interest on such delinquent taxes from the due date at the rate of six percent (6%) per annum and in addition for penalty of one-half of one percent (1/2 of 1 %) for each month or fraction thereof such taxes are delinquent. Such interest and penalty shall become a part of the tax herein required to be remitted. Willful refusal of an operator to collect or remit the tax or willful refusal of a purchaser to pay the tax imposed is hereby declared to be unlawful and shall be punishable upon conviction by a fine not in excess of fifty dollars (\$50.00). The fine levied herein shall be applicable to each individual transaction involving food services paid by a customer to the operator in those cases where the operator fails or refuses to pay the tax payable to the city recorder. (as added by Ord. #973, Dec. 2013)

5-906. Records. It shall be the duty of every operator liable for the collection and payment of this tax, to keep and preserve for a period of three (3) years all records necessary to determine the amount of such tax for whose collection and payment to the municipality he may have been liable, which records the city recorder shall have the right to inspect at all reasonable times. (as added by Ord. #973, Dec. 2013)

5-907. Administration. In administering and enforcing the provisions of this chapter, the city recorder shall have as additional powers the powers and duties with respect to collection of taxes provided in Tennessee Code Annotated, title 67 or otherwise provided by law for county clerks.

Upon any claim of illegal assessment and collection, the taxpayer shall have the remedy provided in Tennessee Code Annotated, title 67, it being the intent of this chapter that the provisions of law which apply to the recovery of taxes illegally assessed and collected shall apply to the tax collected under the authority of this chapter. The city recorder shall possess those powers and duties provided in Tennessee Code Annotated, § 67-1-707 with respect to the adjustment and refund of the taxes provided for in this chapter. With respect to the adjustment and settlement with taxpayers of all errors of taxes collected by

the city recorder under the authority of this chapter, the city recorder shall have the power to refund same. Notice of any tax paid under protest shall be given to the city recorder, and suit for recovery shall be brought against the city recorder. (as added by Ord. #973, Dec. 2013)

5-908. Tax is additional tax. The tax herein levied shall be in addition to all other taxes levied or authorized to be levied whether in the form of excise, license, or privilege taxes, and shall be in addition to all other fees and taxes now levied or authorized to be levied. (as added by Ord. #973, Dec. 2013)

5-909. Rules and regulations. The city recorder shall have the power to make and publish reasonable rules and regulations not inconsistent with this chapter or other laws, for the enforcement of the provisions of this chapter and the collection of revenues hereunder. Further the city recorder shall design, prepare, print and make available to all persons who are subject to this chapter, all necessary forms for filing returns and instructions to insure full compliance with the provisions of this chapter. (as added by Ord. #973, Dec. 2013)

5-910. Use of proceeds. Tax proceeds generated by the provisions of this chapter shall be used as determined by the Mayor and Board of Commissioners of the City of Pigeon Forge consistent with state law. (as added by Ord. #973, Dec. 2013)

5-911. Severability. If any provision of this chapter is deemed by a court of competent jurisdiction to be invalid, such invalidity shall not affect the other provisions or applications of this chapter which can be given effect without the invalid application, and to that end, the provisions of this chapter are declared severable. (as added by Ord. #973, Dec. 2013)