

[West's Tennessee Code Annotated](#)

[Title 6. Cities and Towns](#)

[Municipal Government Generally](#)

[Chapter 54. Municipal Powers Generally](#)

[Part 1. General Provisions](#)

T. C. A. § 6-54-111

§ 6-54-111. Charities; appropriations

Effective: August 5, 2011

[Currentness](#)

(a)(1) The legislative body of each municipality may appropriate funds for the financial aid of any nonprofit charitable organization or any nonprofit civic organization in accordance with the guidelines required by subsection (b).

(2)(A) For the purposes of this section, “nonprofit charitable organization” is one in which no part of the net earnings inures or may lawfully inure to the benefit of any private shareholder or individual and that provides year-round services benefiting the general welfare of the residents of the municipalities.

(B) For the purposes of this section, “nonprofit civic organization” means a civic organization exempt from taxation pursuant to [§ 501\(c\)\(4\) or \(c\)\(6\) of the Internal Revenue Code of 1954](#), codified in [26 U.S.C. § 501\(c\)\(4\) or \(c\)\(6\)](#), which operates primarily for the purpose of bringing about civic betterments and social improvements through efforts to maintain and increase employment opportunities in the municipality by promoting industry, trade, commerce, tourism and recreation by inducing manufacturing, industrial, governmental, educational, financial, service, commercial, recreational, and agricultural enterprises to locate in or remain in the municipality. The statement of public policy set forth in Acts 1955, ch. 209, § 3 is hereby incorporated into and made a part of this section, and it is hereby determined and declared that appropriations authorized by this section are needed to relieve the emergency created by the continuing migration from Tennessee and its municipalities of a large number of its citizens in order to find employment elsewhere, and to enable the municipalities of the state to assist nonprofit organizations in furthering the economic development, social welfare, and common good of its residents.

(b) The comptroller of the treasury shall devise standard procedures to assist a municipality in the disposition of funds that are appropriated under the provisions of this section. Each legislative body of a municipality shall devise guidelines directing for what purpose the appropriated money may be spent. These guidelines shall provide generally that any funds appropriated shall be used to promote the general welfare of the residents of the municipality. Any funds appropriated under the provisions of this section shall be used and expended under the direction and control of the legislative body of a municipality in conjunction with the guidelines and procedures of the comptroller of the treasury.

(c) Any nonprofit organization that desires financial assistance from a municipality shall file with the city clerk a copy of an annual report of its business affairs and transactions, which includes, but is not limited to, a copy of an annual audit, a description of the program that serves the residents of the municipality and the proposed use of the municipal assistance. Such report will be open for public inspection during regular business hours of the city clerk's office.

(d) Appropriations to nonprofit organizations other than charitable organizations may be made only once notices have been published in a newspaper of general circulation in the municipality of the intent to make an appropriation to a nonprofit, but not charitable, organization specifying the intended amount of the appropriation and the purposes for which the appropriation will be spent.

Credits

1978 Pub.Acts, c. 838, § 1; 1984 Pub.Acts, c. 820, §§ 2, 4; [1995 Pub.Acts, c. 297, §§ 1, 2, eff. May 26, 1995](#).

Formerly § 6-662.

[Notes of Decisions \(3\)](#)

T. C. A. § 6-54-111, TN ST § 6-54-111
Current through end of the 2014 Second Reg. Sess.

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