Senate Finance, Ways, and Means Committee 1

Amendment No. 1 to SB1161

Watson
Signature of Sponsor

AMEND Senate Bill No. 1161* House Bill No. 1461

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by adding the following as a new section:

(a) Subject to the approval set forth in subdivision (c)(2), there is a sales and use tax exemption on qualified building materials used in the construction, expansion, or renovation of one (1) or more qualified, new, or expanded warehouse or distribution facilities as defined in § 67-6-102(44)(H); provided, that the taxpayer or a lessor, or both, makes a capital investment of at least one billion dollars ($1,000,000,000) in the construction or renovation of such facilities and related facilities at the same location within the qualified capital investment period.

(b) For purposes of this section:

(1) "Qualified building materials" means tangible personal property purchased during the period between July 1, 2019, and December 31, 2026, that becomes part of the real property comprising the facility; and

(2) "Qualified capital investment period" means a period beginning on or after January 1, 2019, and ending no later than December 31, 2026.

(c)

(1) A taxpayer seeking the exemption provided under this section shall submit an application for exemption to the commissioner of revenue, describing the investment to be made during the qualified capital investment period. The

application must be submitted on forms prescribed by the commissioner and demonstrate that the requirements of this section will be met.

(2) After approval of the exemption application, the commissioner shall issue a certificate of exemption to the taxpayer.

(d) If any requirements of this section are not met, the taxpayer is liable for any sales or use tax, penalty, or interest that would otherwise have been due with respect to items purchased on a tax-exempt basis pursuant to this section. Notwithstanding any other law to the contrary, the amount of any tax due under this subsection (d) must be assessed within three (3) years of December 31 of the final year of the investment period; provided, however, that such time to assess may be extended pursuant to § 67-1-1501(b)(5).

(e) An application with the department of revenue for the exemption provided in this section must be filed prior to October 1, 2019.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.