

HOUSE BILL 48

By Hawk

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 51, Part 3, relative to the disposition of taxes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 4-51-304, is amended by deleting subdivision (e)(1) and substituting:

(1) Eighty percent (80%) of the privilege tax collected under this section must be distributed by the corporation to the state treasurer for deposit into an account for the use by public school systems for construction and maintenance of school buildings. Funds deposited under this subdivision (e)(1) must be accounted for separately by the corporation from funds collected by the corporation for the lottery. Section 4-51-111 is otherwise inapplicable to taxes collected and deposited under this subdivision (e)(1). The state treasurer shall distribute the funds received under this subdivision (e)(1) to each public school system based on the number of students enrolled in the system at the end of each school year. The funds distributed under this subdivision (e)(1) are outside of the basic education program (BEP) and do not affect a public school system's maintenance of effort.

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