

HOUSE BILL 909

By Garrett

AN ACT to amend Tennessee Code Annotated, Section 67-6-103, relative to distribution of revenues.

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

SECTION 1. Tennessee Code Annotated, Section 67-6-103, is amended by deleting subdivision (c)(1) and substituting instead:

(1) Notwithstanding another law to the contrary, all revenue generated from the tax levied at the rate of two and three quarters percent (2.75%) on the amount in excess of one thousand six hundred dollars (\$1,600) but less than or equal to three thousand two hundred dollars (\$3,200) on the sale or use of any single article of personal property pursuant to chapter 856, § 4 of the Public Acts of 2002 shall be paid into the state general fund and allocated exclusively for general state purposes.

SECTION 2. Tennessee Code Annotated, Section 67-6-103(c), is amended by adding the following as a new subdivision:

(3) Notwithstanding another law to the contrary, of the revenue generated from the increase in the rate of sales and use tax from six percent (6%) to seven percent (7%) pursuant to chapter 856, § 4 of the Public Acts of 2002, four and six thousand thirty ten-thousandths percent (4.6030%) shall be apportioned to several incorporated municipalities within this state to be allocated and distributed to them as provided in subdivision (a)(3)(A). Ninety-five and three thousand nine hundred seventy ten-thousandths percent (95.3970%) shall be paid into the state general fund and allocated exclusively for general state purposes.

SECTION 3. Tennessee Code Annotated, Section 67-6-103, is amended by deleting the final sentence of subdivisions (d)(1)(A)(vi), (d)(1)(D), (d)(1)(E)(iv), (g)(2)(A), (h)(3), (i)(3), (k)(2), (l)(2), (m)(2), (n)(4), (o)(2), and (s)(2) and substituting instead:

The revenue must be allocated as provided in chapter 529 of the Public Acts of 1992, chapter 856 of the Public Acts of 2002, and subdivision (c)(3), respectively.

SECTION 4. Tennessee Code Annotated, Section 67-6-103, is amended by deleting the language ", and no portion of the revenue derived from the increase in the rate of sales and use tax from six percent (6%) to seven percent (7%) contained in chapter 856, § 4 of the Public Acts of 2002," in subsections (p) and (t); and is further amended by deleting the final sentence of subsections (p) and (t) and substituting instead the following:

The revenue must be allocated as provided in chapter 529 of the Public Acts of 1992, chapter 856 of the Public Acts of 2002, and subdivision (c)(3), respectively.

SECTION 5. This act takes effect July 1, 2025, the public welfare requiring it.