

HOUSE BILL 1038

By Sexton C

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 5, relative to taxation of property owned
by governmental entities.

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

SECTION 1. Tennessee Code Annotated, Section 67-5-203, is amended by adding the following as a new, appropriately designated subsection:

(f)

(1) If any federally owned property is leased to any taxpayer that owns or operates a marina, yacht club, dock, or similar property located on the federally owned property, and the taxpayer has entered into a payment in lieu of tax agreement with the United States or an agency of the United States, then the federally owned property, the taxpayer's marina or similar property, and any leasehold interest in these properties, shall be exempt from taxation.

(2) As used in this subsection (f), "payment in lieu of tax agreement" means an agreement requiring that the taxing authorities receive payments or other charges directly from a lessee of the property or from any other sources on account of the property.

(3) The exemption provided under this subsection (f) shall be provided in the same manner as exemptions from taxation provided under this chapter for property owned by this state or political subdivisions and leased by private lessees making in lieu of tax payments.

SECTION 2. This act shall take effect January 1, 2016, the public welfare requiring it.