

HOUSE BILL 2147

By Fitzhugh

AN ACT to amend Tennessee Code Annotated, Title 67,  
Chapter 5, Part 13, relative to public utility  
assessment for property tax purposes.

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

SECTION 1. Tennessee Code Annotated, Section 67-5-1302, is amended by adding the following as a new, appropriately designated subsection:

( )

(1) Each county assessor of property shall conduct an audit of the values and level of assessments for all public utility property located within the county.

(2) Each audit shall include a review of the value and level of assessments and the applicable capitalization rates, valuation methods, reporting requirements, and allocation percentages. The assessor shall complete the initial audit by December 31, 2013, and subsequent audits every three (3) years thereafter.

(3) The initial and subsequent audits shall cover a three-year period.

(4) The assessors shall deliver the audits, including the findings, if any, to the commissioner of finance and administration, who shall then recommend to the general assembly and the comptroller of the treasury appropriate legislative or administrative actions as necessary to correct any issues identified in the audit.

(5)

(A) Based on reported operating revenues, each public utility company shall pay the cost of the audit. Each reporting public utility shall

pay an annual filing fee amount to the commissioner of finance and administration in accordance with the following schedule:

<b>Annual Operating Revenue</b>	<b>Fee Amount</b>
\$0 to \$1,000,000	\$25
\$1,000,001 to \$5,000,000	\$50
\$5,000,001 to \$10,000,000	\$75
More than \$10,000,000	\$100.00

(B) The commissioner of finance and administration may adjust these fee amounts on a prospective basis so that the total amount collected over a three-year period covers the cost of the audit.

SECTION 2. This act shall take effect July 1, 2012, the public welfare requiring it.