

SENATE BILL 648

By Kurita

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 6, relative to sales and use taxes.

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

SECTION 1. Tennessee Code Annotated, Section 67-6-103, is amended by adding the following as a new subsection:

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(1) Notwithstanding the allocations provided for in subsection (a), if a new event center is to be constructed for use, in part, by a state university with an independent board of trustees in a county in which there is a population in excess of one hundred fifty thousand (150,000) in accordance with the 2010 federal census or the most recent subsequent census, and in which there is located, in whole or in part, a military base with enlisted active duty personnel in excess of twenty thousand (20,000) as of December 31, 2018, then an amount shall be apportioned and distributed to a public entity designated by the county that is responsible for the retirement of all or a portion of the debt on such event center equal to the amount of state and local sales and use tax revenue, including any portion of local sales taxes that otherwise would be allocated for school purposes, from the sale of food and drink and other authorized goods or products sold on the premises of the event center, ticket sales, parking charges, and related services on the premises of the event center. Such tax revenues shall be applied to any debt service related to the event center, and this apportionment and distribution shall continue until all debt, including any refinancing debt, relating to the event center is retired. For purposes of this

subdivision () (1), an event center shall include the facility in which events are held and shall also include any and all ancillary facilities such as parking facilities and any lodging facilities adjacent to the facility in which events are held.

(2) Notwithstanding subdivision () (1) to the contrary, no portion of the revenue derived from the increase in the rate of sales and use tax allocated to educational purposes pursuant to chapter 529, § 9 of the Public Acts of 1992, 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 shall be apportioned and distributed pursuant to subdivision () (1). The revenue shall continue to be allocated as provided in chapter 529 of the Public Acts of 1992 and chapter 856 of the Public Acts of 2002, respectively.

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