

SENATE BILL 767

By Lowe

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(a)(1), is amended by deleting the subdivision and substituting instead:

(1) Of such monies, an amount to be determined by the following schedule must be earmarked and allocated specifically and exclusively to the general fund:

Fiscal Year:	Amount:
In fiscal year 2023-2024	29.0141%
In fiscal year 2024-2025	28.8921%
In fiscal year 2025-2026	28.8190%
In fiscal year 2026-2027	28.7214%
In fiscal year 2027-2028	28.6238%
In fiscal year 2028-2029 and subsequent years	28.5262%

SECTION 2. Tennessee Code Annotated, Section 67-6-103(a)(3)(A), is amended by deleting the subdivision and substituting instead:

(A) An amount to be determined by the schedule provided in this subdivision (a)(3)(A) must be appropriated to the several incorporated municipalities within this state, to be allocated and distributed to them monthly by the commissioner of finance and administration, in the proportion as the population of each municipality bears to the aggregate population of all municipalities within this state, according to the 2020 federal census or subsequent federal census. Municipalities incorporated subsequent to the

last decennial federal census are, until the next decennial federal census, eligible for an allotment, commencing on July 1, following incorporation, election, and installation of officials, on the population basis determined under regulations of the department of economic and community development and certified by that office to the commissioner; provided, that an accurate census of population has been certified to the department of economic and community development by the municipality. Municipalities now participating in the allocation must continue to do so on the basis of their population determined according to law. The amount allocated is:

Fiscal Year:	Amount:
In fiscal year 2023-2024	4.6030%
In fiscal year 2024-2025	4.7250%
In fiscal year 2025-2026	4.7981%
In fiscal year 2026-2027	4.8957%
In fiscal year 2027-2028	4.9933%
In fiscal year 2028-2029 and subsequent years	5.0909%

SECTION 3. Tennessee Code Annotated, Section 67-6-103(a)(3)(B)(i), is amended by deleting the language "four and six thousand thirty ten-thousandths percent (4.6030%) of the tax actually collected and remitted by dealers within the boundaries of such resort" and substituting instead the language "a percentage of the tax actually collected and remitted by dealers within the boundaries of the resort, which percentage must be determined according to the schedule provided in subdivision (a)(3)(A)".

SECTION 4. Tennessee Code Annotated, Section 67-6-103(a)(3)(E), is amended by deleting the subdivision and substituting instead the following:

(E) Before distributing moneys to incorporated municipalities from the sales tax, as provided for in this subdivision (a)(3), the commissioner of finance and administration

shall make a deduction therefrom monthly of a sum equal to one percent (1%) of the monthly allocation of the applicable percentage of sales tax collections allocated to incorporated municipalities as provided for in subdivision (a)(3)(A). This sum, together with an appropriation per annum from the general fund of the state, must be apportioned and transmitted to the University of Tennessee for use by the university in establishing and operating a municipal technical advisory service in its institute for public service, and must be used for studies and research in municipal government, publications, educational conferences, and attendance at such conferences and in furnishing technical, consultative, and field services to municipalities in problems relating to fiscal administration, accounting, tax assessment and collection, law enforcement, improvements and public works, and in any and all matters relating to municipal government. This program must be carried on in cooperation with, and with the advice of, cities and towns in the state acting through the Tennessee municipal league and its executive committee, which is recognized as their official agency or instrumentality;

SECTION 5. Tennessee Code Annotated, Section 67-6-103(a)(3)(F)(i), is amended by deleting the language "four and six thousand thirty ten-thousandths percent (4.6030%) of the tax actually collected and remitted by dealers within the boundaries of such district" and substituting instead the language "a percentage of the tax actually collected and remitted by dealers within the boundaries of the district, which percentage must be determined according to the schedule provided in subdivision (a)(3)(A)".

SECTION 6. This act takes effect July 1, 2023, the public welfare requiring it.