

SENATE BILL 909

By Bell

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 5, relative to property tax.

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

SECTION 1. Tennessee Code Annotated, Section 67-5-1702, is amended by deleting the section and substituting instead the following:

(a) Except as provided in subsection (b), no tax rate in excess of the certified tax rate as provided for in § 67-5-1701 shall be levied by the governing body of any county or of any municipality until a resolution or ordinance has been approved by the governing body according to the following procedure:

(1) The governing body advertises its intent to exceed the certified tax rate in a newspaper of general circulation in the county, and the chief executive officer of the county or municipality, as appropriate, furnishes to the state board of equalization an affidavit of publication within thirty (30) days after publication; and

(2) After a public hearing, the governing body adopts a resolution or ordinance, by a two-thirds (2/3) majority vote of the governing body at two (2) consecutive, regularly scheduled meetings, levying a tax rate in excess of the certified tax rate.

(b)

(1) If a resolution or ordinance proposing a tax rate in excess of the certified tax rate does not receive a two-thirds (2/3) majority vote, then the governing body may, by ordinance or resolution approved by majority vote, call

for a referendum on the question of levying a tax rate in excess of the certified tax rate.

(2) In a referendum called pursuant to subdivision (b)(1), the county election commission shall hold an election on the question pursuant to § 2-3-204, after receiving a certified copy of such ordinance or resolution, providing options to vote “FOR” or “AGAINST” the ordinance or resolution. A majority vote of those voting in the election shall determine whether the ordinance or resolution is to be operative.

SECTION 2. Tennessee Code Annotated, Section 67-5-102, is amended by adding the following as a new subsection (d):

(d)

(1) No increase in the property tax shall be levied by a county legislative body until a resolution has been approved by the legislative body according to the following procedure:

(A) The legislative body advertises its intent to increase the property tax rate in a newspaper of general circulation in the county, and the chief executive officer of the county furnishes to the state board of equalization an affidavit of publication within thirty (30) days after publication; and

(B) After a public hearing, the legislative body adopts a resolution, by a two-thirds (2/3) majority vote of the legislative body at two (2) consecutive, regularly scheduled meetings, levying an increase in the property tax rate.

(2)

(A) If a resolution proposing a property tax rate increase does not receive a two-thirds (2/3) majority vote, then the legislative body may, by resolution approved by majority vote, call for a referendum on the question of levying a property tax rate increase.

(B) In a referendum called pursuant to subdivision (d)(2)(A), the county election commission shall hold an election on the question pursuant to § 2-3-204, after receiving a certified copy of such resolution, providing options to vote “FOR” or “AGAINST” the resolution. A majority vote of those voting in the election shall determine whether the resolution is to be operative.

SECTION 3. Tennessee Code Annotated, Section 67-5-103, is amended by adding the following as a new subsection (d):

(d)

(1) No increase in the property tax shall be levied by a municipal legislative body until an ordinance has been approved by the legislative body according to the following procedure:

(A) The legislative body advertises its intent to increase the property tax rate in a newspaper of general circulation in the county, and the chief executive officer of the municipality furnishes to the state board of equalization an affidavit of publication within thirty (30) days after publication; and

(B) After a public hearing, the legislative body adopts an ordinance, by a two-thirds (2/3) majority vote of the legislative body at two (2) consecutive, regularly scheduled meetings, levying an increase in the property tax rate.

(2)

(A) If an ordinance proposing a property tax rate increase does not receive a two-thirds (2/3) majority vote, then the legislative body may,

by ordinance approved by majority vote, call for a referendum on the question of levying a property tax rate increase.

(B) In a referendum called pursuant to subdivision (d)(2)(A), the county election commission shall hold an election on the question pursuant to § 2-3-204, after receiving a certified copy of such ordinance, providing options to vote “FOR” or “AGAINST” the ordinance. A majority vote of those voting in the election shall determine whether the ordinance is to be operative.

SECTION 4. This act shall take effect July 1, 2017, the public welfare requiring it.