

SENATE BILL 1358

By Finney L

AN ACT to amend Tennessee Code Annotated, Section 67-6-202 and Section 67-6-702, relative to state and local sales taxes.

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

SECTION 1. Tennessee Code Annotated, Section 67-6-202(a), is amended by deleting all language in the subsection after the second sentence.

SECTION 2. Tennessee Code Annotated, Section 67-6-702(a)(1), is amended by deleting the language "one thousand six hundred dollars (\$1,600)" and substituting instead the language "three thousand two hundred dollars (\$3,200)".

SECTION 3. Tennessee Code Annotated, Section 67-6-702, is amended by adding the following as a new, appropriately designated subsection:

() The dollar limit established in subdivision (a)(1) to which any local sales tax rate applies shall be increased on July 1, 2012, and on July 1 of subsequent years to reflect the percentage of increase in the average consumer price index for all items by city average as most recently published by the United State bureau of labor statistics. Any amount adjusted under this subsection shall be rounded up to the nearest multiple of one hundred dollars (\$100). The department of revenue shall publish the increased amount on its web site. The increase in the dollar amount to which any local sales tax rate applies affected by Section 2 of this act and increases resulting from changes in the consumer price index as provided in this subsection do not require local approval.

SECTION 4. This act shall take effect on July 1, 2011, the public welfare requiring it.