

SENATE BILL 1741

By Marrero B

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 6, Part 2, relative to sales and use taxes.

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

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 2, is amended by adding the following language as a new section:

§ 67-6-235. A person making sales of tangible personal property or services as described in § 67-6-201(12) and taxable under this chapter shall be presumed to be soliciting business through an independent contractor or other representative if such person enters into an agreement with a resident of this state under which the resident, for a commission or other consideration, directly or indirectly refers potential customers, whether by a link on an internet web site or otherwise, to such person, if the cumulative gross receipts from sales by such person to customers in the state who are referred to such person by all residents with this type of an agreement with such person is in excess of two thousand dollars (\$2,000) during the preceding four (4) quarterly periods ending on the last day of February, May, August and November. This presumption may be rebutted by proof that the resident with whom such person has an agreement did not engage in any solicitation in the state on behalf of such person that would satisfy the nexus requirement of the United States constitution during the four (4) quarterly periods in question. Nothing in this subsection shall be construed to narrow the scope of the terms independent contractor or other representative for purposes of this chapter.

SECTION 2. This act shall take effect July 1, 2009, the public welfare requiring it.