

SENATE BILL 2011

By Stewart

AN ACT to amend Tennessee Code Annotated, Section 67-6-103 and Title 67, Chapter 6, Part 2, relative to television programming and television services.

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, appropriately designated subsection:

() Notwithstanding subsections (a)-(e), the state tax on fees or charges for subscription to, access to, or use of television programming or television services provided by a video programming service provider offered for public consumption on charges or fees up to but not exceeding twenty-seven dollars and fifty cents (\$27.50) per month shall be for state purposes only and shall be earmarked and allocated specifically and exclusively to the general fund. Any amounts derived from the sales tax on fees or charges for subscription to, access to, or use of television programming or television services provided by a video programming service provider offered for public consumption, in excess of twenty-seven dollars and fifty cents (\$27.50) shall be taxed at the state rate of the tax levied on the sale of tangible personal property at retail by § 67-6-202 in accordance with part 2 of this chapter, as well as pursuant to the 1963 Local Option Revenue Act, compiled in part 7 of this chapter, and be distributed in accordance with the provisions of this section. Counties and incorporated municipalities shall use funds in the same manner and for the same purposes as funds distributed pursuant to § 67-6-712.

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

67-6-2___. Notwithstanding any provision of this chapter to the contrary, state tax at the rate of eight and one-quarter percent (8.25%) on each sale at retail is imposed with respect to fees or charges for subscription to, access to, or use of television programming or television services provided by a video programming service provider offered for public consumption on charges or fees up to but not exceeding twenty-seven dollars and fifty cents (\$27.50) per month. Charges or fees in excess of twenty-seven dollars and fifty cents (\$27.50) per month shall be taxed at the rate of the tax levied on the sale of tangible personal property at retail by § 67-6-202.

SECTION 3. This act shall take effect July 1, 2011, at 12:01 a.m., the public welfare requiring it.