

SENATE BILL 2200

By Swann

AN ACT to amend Tennessee Code Annotated, Title 7,  
Chapter 4, Part 1 and Title 67, Chapter 4, relative  
to taxes on accommodations for transients.

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

SECTION 1. Tennessee Code Annotated, Section 67-4-1401, is amended by adding the following new subdivisions:

( ) "Tourism" means the business or industry of providing information, accommodations, transportation, entertainment, and other services to tourists;

( ) "Tourism development" means:

(A) The planning and conducting of programs of information and publicity designed to attract to a city or county tourists, visitors, and other interested persons from outside the area and to encourage and coordinate the efforts of other public and private organizations or groups of citizens to publicize the facilities and attractions of the area for the same purposes; and

(B) The acquisition, construction, financing, and remodeling of facilities used in the attraction and promotion of tourist, entertainment, and sporting events, and convention and event centers;

SECTION 2. Tennessee Code Annotated, Section 67-4-1403, is amended by deleting the section and substituting instead the following:

Except as otherwise provided in this part, the proceeds received by a municipality from the tax must be designated and used for purposes authorized in the ordinance levying the tax.

SECTION 3. Tennessee Code Annotated, Title 67, Chapter 4, Part 14, is amended by adding the following new section:

(a) As used in this section, "municipality" includes any incorporated city or town in this state.

(b) Notwithstanding any private act or general law to the contrary, if a municipality is authorized by private act or under a general law of this state to levy by ordinance a tax upon the privilege of occupancy in a hotel, and the existing rate of such tax on the effective date of this act is less than the maximum amount that the municipality may levy under such private act or general law, any increase in such tax by ordinance on and after the effective date of this act must be spent on the promotion of tourism or tourism development.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.