

SENATE BILL 2671

By Bailey

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 6, relative to sales and use tax upon
tangible personal property.

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

SECTION 1. Tennessee Code Annotated, Section 67-6-322(a), is amended by adding the following language as a new subdivision:

(19) Nonprofit property owners association that has received a determination of exemption from the internal revenue service under the Internal Revenue Code § 501(c)(4), codified in 26 U.S.C. § 501(c)(4), and that meets all of the following criteria:

(A) Is responsible for the governance and maintenance of a residential community that contains at least five thousand (5,000) lots or units;

(B) Maintains private roads in its community or provides direct funding for certain maintenance of public roads in its community;

(C) Provides direct funding for certain fire or emergency services, or both, for the safety and protection of its property owner members; and

(D) Operates water or sewer utility services, or both, exclusively for the benefit of its property owner members.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.