

SENATE BILL 2673

By Faulk

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5 and Title 67, Chapter 6, Part 3, relative to exemptions from taxation for certain nonprofit organizations.

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

SECTION 1. Tennessee Code Annotated, Section 67-6-322(b), is amended by adding the language "(c)(4) civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare," between the language "Internal Revenue Code § 501(c)(3)," and the language "(c)(5) labor organizations" and by adding the language "(4)," between the language "26 U.S.C. § 501(c)(3)," and the language "(5), (13) and (19),".

SECTION 2. Tennessee Code Annotated, Section 67-6-322(b), is further amended by adding the following sentence at the end of the subsection:

The exemption provided for in this subsection (b) to civil leagues or organizations shall apply only to civil leagues or organizations located in any county having a population of not less than fifty-six thousand eight hundred (56,800) nor more than fifty-six thousand nine hundred (56,900), according to the 2010 federal census or any subsequent federal census.

SECTION 3. Tennessee Code Annotated, Section 67-5-212, is amended by adding the following language as a new, appropriately designated subsection:

( ) There shall be exempt from property taxation the real and personal property, or any part thereof, that is owned by a nonprofit civic league or organization located in any county having a population of not less than fifty-six thousand eight hundred (56,800) nor more than fifty-six thousand nine hundred (56,900), according to the 2010 federal census or any subsequent federal census, which property is occupied and used by the

civil league or organization for an enterprise that produces revenue. For purposes of this subsection, "nonprofit civil league or organization" means any civil league or organization exempt from federal income taxation pursuant to § 501(c)(4) of the Internal Revenue Code, codified in 26 U.S.C. § 501(c)(4), that is not organized for profit but operated exclusively for the promotion of social welfare.

SECTION 4. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to applications and appeals pending before the state board of equalization on the effective date as well as applications for exemption made to the state board of equalization after the effective date.