

HOUSE BILL 564

By Thompson

AN ACT to amend Tennessee Code Annotated, Title 5, Chapter 8, Part 1 and Title 55, Chapter 4, relative to privilege taxes for motor vehicles owned or operated by service members and reservists.

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

SECTION 1. Tennessee Code Annotated, Section 5-8-102(d), is amended by adding the following as a new subdivision:

(6)

(A) In each county that has levied or may levy a motor vehicle privilege tax under either this chapter or by private act, the county may, by action of its governing body authorize active members of the national guard or the armed forces of the United States and members of a reserve component of the armed forces of the United States or the national guard who reside in the county to pay one-half (1/2) of the tax upon issuance of a special decal, stamp, or other device pursuant to subdivision (d)(6)(D)(i). The person shall meet the requirements of subdivision (d)(6)(B) to be eligible for the reduced rate of tax under this subdivision (d)(6)(A).

(B) Eligibility for the payment of one-half (1/2) of the tax under subdivision (d)(6)(A) shall be determined by the department, in consultation with appropriate information on the applicant's current and valid uniformed services identification card or other official documentation, citing that the application is submitted by an active member of the national guard or the armed forces or a member of a reserve component of the national guard or the armed forces.

(C) No resolution authorizing payment of one-half (1/2) of the tax pursuant to subdivision (d)(6)(A), shall take effect unless it is approved by a two-thirds (2/3) vote of the county legislative body at two (2) consecutive, regularly scheduled meetings or unless it is approved by a majority of the number of qualified voters of the county voting in an election conducted in accordance with subsection (c) on the question of whether or not active and reserve members should be liable for payment of one-half (1/2) of the tax.

(D)

(i) In any county that approves a resolution requiring the payment of one-half (1/2) of the tax pursuant to subdivision (d)(6)(A), any person who has been previously issued a decal, stamp, or other device evidencing payment of the tax pursuant to this chapter or by private act and any person who applies for initial issuance of such a decal, stamp, or other device shall be entitled to issuance of a special decal, stamp, or other device upon payment of one-half (1/2) of the tax and payment of the fee imposed by subdivision (d)(6)(D)(ii).

(ii) The county clerk may charge a fee for the initial issuance of the special decal, stamp, or other device in an amount sufficient to defray the costs of implementing this subdivision (d)(6).

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