

HOUSE BILL 2456

By Daniel

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 4, Part 14, relative to the hotel-motel
occupancy privilege tax.

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

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 4, Part 14, is amended by
adding the following as a new section:

(a) The comptroller of the treasury shall conduct an audit as prescribed in this
section of any person or entity receiving the proceeds from a tax upon the privilege of
occupancy in any hotel, including, but not limited to, where the tax is imposed by an
ordinance or a private act. The cost of the audit shall be paid by the person or entity
from the proceeds of the tax.

(b) The audit shall include an accounting of how the proceeds are used by the
persons or entities, and a determination of whether the proceeds are being used for the
purposes set forth in the ordinance or private act.

(c) All audits conducted under subsection (a) shall be limited to persons or
entities who have received proceeds from the tax within ten (10) years of the start date
of the audit.

(d)

(1) The comptroller of the treasury shall conduct annual random audits of
ten (10) persons or entities described in subsection (a), and shall complete an
audit of each person or entity prior to initiating a subsequent round of audits.

(2) The comptroller of the treasury shall promulgate rules to create a schedule for the completion of each round of audits conducted under subsection (a).

SECTION 2. This act shall take effect January 1, 2019, the public welfare requiring it.