

HOUSE BILL 1701

By Jernigan

AN ACT to amend Tennessee Code Annotated, Title 7 and
Title 67, relative to adult entertainment.

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

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

67-4-1201. As used in this part:

(1) "Adult performance business" means a business that:

(A) Is an adult cabaret or other adult-oriented establishment, as defined
in § 7-51-1102 or § 7-51-1401;

(B) Provides live nude entertainment or live nude performances for an
audience of two (2) or more individuals; and

(C) Permits the consumption of beer, wine, liquor, or other alcoholic
beverages on the premises;

(2) "Department" means the department of revenue; and

(3) "Nude" means:

(A) Entirely unclothed; or

(B) Clothed in a manner that exposes to public view, at any time, the
bare female breast below a point immediately above the top of the areola, human
genitals, pubic region, or buttocks, even if partially covered by opaque material or
completely covered by translucent material, including swim suits, lingerie, or latex
covering.

67-4-1202.

(a) A two-dollar privilege tax, for state purposes only, is imposed for each entry by each customer admitted to an adult performance business. This tax is in addition to all other taxes imposed on the business.

(b) Each adult performance business shall record daily in the manner required by the department the number of customers admitted to the business. The business shall maintain the records for the period required by the department and make the records available for inspection and audit on request by the department.

(c) This section does not require an adult performance business to impose a tax on a customer of the business. A business has discretion to determine the manner in which the business derives the money required to pay the tax imposed under this section.

67-4-1203.

(a) There is established a sex trafficking victims fund within the general fund, to be allocated through the general appropriations act. It is the intent of the general assembly that moneys in this fund be appropriated to the department of human services to provide services to victims of sex trafficking.

(b) All revenue collected from the tax imposed by this part shall be allocated to the sex trafficking victims fund.

(c) Any revenues deposited in the sex trafficking victims fund shall remain in the fund until expended and shall not revert to the general fund.

SECTION 2. This act shall take effect July 1, 2018, the public welfare requiring it.