



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
OFFICE OF GENERAL COUNSEL
James K. Polk State Office Building
505 Deaderick Street, Suite 1700
Nashville, Tennessee 37243-1402

Justin P. Wilson
Comptroller

Stephanie S. Maxwell
General Counsel

TO: Assessors of Property

FROM: Stephanie Maxwell, General Counsel 

DATE: September 6, 2017

RE: **SUMMARY OF RECENT LEGISLATION AND TENNESSEE ATTORNEY
GENERAL OPINIONS**

I. Tennessee Attorney General Opinions

Opinion No. 17-27

An administrative division of Tennessee's tax relief program into two separate components (one for elderly low-income persons and disabled persons and another for disabled veterans and their surviving spouses), in and of itself, would not violate Article II, Section 28 of the Tennessee Constitution.

Opinion No. 17-30

The definitions of "agriculture" at Tenn. Code Ann. §§ 1-3-105(2)(A) and 43-1-113(b)(1) are applicable to the word "agriculture" as used in the definition of "Farm Property" in Tenn. Code Ann. § 67-5-501(3).

Opinion No. 17-32

The language in House Bill 768/Senate Bill 907 stating that "[w]hen a mobile home attached to real property as described in § 67-5-802 is used as a residence, the assessor of property may presume the classification is residential" conforms to Article II, Section 28 of the Tennessee Constitution insofar as it applies to property with no more than one rental unit. The proposed legislation violates Article II, Section 28 of the Tennessee Constitution if it is applied to residential property containing two or more rental units. If assessors of property apply the presumption of a residential classification created by this proposed legislation only to property with no more than one rental unit, this proposed legislation conforms to existing case law.

II. Comptroller Legislation

PUBLIC CHAPTER NO. 13

Requires training for county board of equalization members, to be provided by the Comptroller free of charge. Additionally, any association or organization with appropriate knowledge and experience may provide the required training if the educational materials are approved by the Comptroller prior to use.

PUBLIC CHAPTER NO. 103

Requires county boards of equalization to include in their notices current contact and procedural information as provided by the State Board of Equalization.

PUBLIC CHAPTER NO. 133

Clarifies the Assessment Appeals Commission's standard of review

PUBLIC CHAPTER NO. 155

Cleanup bill, stating that assessors must retain copies of any approved applications for property tax exemptions in paper, electronic, or digital format.

III. Other Legislation Involving Property/Property Taxes

PUBLIC CHAPTER NO. 181

Increases the amount on which property tax reimbursement will be paid from the first \$23,500 to the first \$27,000 with inflation adjustments moving forward for low-income, elderly homeowners and for disabled homeowners; increases the value limit for disabled veterans/widow(er)s from \$100,000 to a fixed \$175,000 (part of the IMPROVE Act).

PUBLIC CHAPTER NO. 297

Authorizes an assessor of property to presume that a mobile home attached to real property that is used as a residence may be classified as residential property for purposes of property taxes (but see Attorney General Opinion No. 17-32 listed above – if a property has two or more rental units, it must still be classified as commercial in order to conform to the Tennessee Constitution). Changes eligibility for greenbelt application for preferential treatment as forest land and now requires tracts to be forest units of at least fifteen acres, be engaged in the growing of trees under a sound program of sustained yield management, and have tree growth in such quantity and quality and so managed as to constitute a forest. Provides that taxpayers wishing to appeal the denial of a greenbelt application for preferential treatment as forest land must appeal to the county board of equalization and/or State Board of Equalization as appropriate, not to the State Forester.

PUBLIC CHAPTER NO. 299

Revises various provisions of property tax law including receiving title pursuant to tax proceedings, penalties and interest related to delinquent property taxes, delinquent tax suits, and delinquent tax sales.

PUBLIC CHAPTER NO. 312

Adds to the present law provisions governing delinquent property taxes that, with respect to a *de minimus* property tax totaling less than \$5.00, if authorized by a private act, resolution, or ordinance levying the tax, the county trustee or other property tax collecting official may (1) decline to bill the tax; (2) decline to refer the tax for further collection; or (3) abate any penalty or interest otherwise due for late payment of the tax. Requires the tax collecting official to maintain a list of *de minimus* taxes by parcel and by year and specifies that the tax may be collected when a tax related to the same parcel is tendered for a later year.

PUBLIC CHAPTER NO. 351

Clarifies that the word "agriculture" as used in the definition of "farm property" in the Title 67, Chapter 5 property tax statutes refers to "agriculture" as defined in Tenn. Code Ann. §§ 1-3-105(2) and 43-1-113.