




JUSTIN P. WILSON
Comptroller

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TO: Assessors of Property

FROM: Stephanie Maxwell, General Counsel 

DATE: August 28, 2018

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

I. Tennessee Attorney General Opinions

Opinion No. 17-50

Under Tenn. Code Ann. § 67-5-1601(c)(2), a city generally is required to pay one half the local costs of reappraisal of properties within a city. The city and county may agree on a different amount, but the city may not unilaterally choose to pay a lesser amount. Under Tenn. Code Ann. § 67-5-807, the county assessor is required to prepare and provide tax rolls for each taxing entity within the assessor's jurisdiction. The statute does not authorize the assessor to withhold a city's tax rolls.

Opinion No. 18-06

Under Article II, Section 30 of the Tennessee Constitution, an article being used to manufacture another product – such as a barrel being used by a whiskey maker to age whiskey – is not entitled to an exemption from taxation.

Opinion No. 18-15

Under Article II, Section 30 of the Tennessee Constitution, as interpreted and construed by the Tennessee Supreme Court, an article being used to manufacture another product – such as a barrel being used by a whiskey maker to manufacture aged whiskey – is not entitled to an exemption from constitutionally mandated ad valorem taxation, and it is not within the legislative power to override or modify a judicial interpretation of the Constitution.

II. Comptroller Legislation

PUBLIC CHAPTER NO. 526

Removes outdated references to Division of Property Assessments contacting with municipalities to complete property reappraisals for cities that lie in more than one county.

PUBLIC CHAPTER NO. 527

Removes antiquated requirement for county assessor to file tabulated statements with the State Board of Equalization and updates code to reflect Comptroller's modernized filing system, removing the provision for a separate exemption application for each parcel of property.

III. Other Legislation Involving Property/Property Taxes

PUBLIC CHAPTER NO. 710

Provides continued eligibility for property tax relief for elderly low-income homeowners, disabled homeowners, and disabled veteran homeowners during temporary periods of confinement for health care in a home of a friend or relative, a hospital, or a skilled or intermediate care facility if the homeowner intends to return to his residence. Changes definition of residence for purposes of tax relief. Provides that elderly low-income homeowners, disabled homeowners, and disabled veteran homeowners who were temporarily relocated for health care to a home of a friend or relative, a hospital, or a skilled or intermediate care facility from October 3, 2017 until April 12, 2018, and whose tax relief benefits ceased during that period, are to receive tax relief reimbursement retroactively for such period.

PUBLIC CHAPTER NO. 778

Requires motion to claim excess tax sale proceeds be served upon all interested persons rather than the parties. Grants an interested person (rather than the parties) right of action if they failed to receive notice of motion to claim excess proceeds. Mandates publication of notice of tax sale at least once in a newspaper of general publication, or, with court approval, by printed handbills publicly posted, all at least twenty days before the sale date. Adds authority to adjourn and reschedule tax sales one time without additional publication if within one year of the originally scheduled date, if to a specified date and time which is announced at the scheduled date and time, and, if postponement or adjournment is for more than thirty days, notice of the new date, time, and location must be mailed no less than ten calendar days prior to the sale date via regular mail to the parties to the suit, with a copy to the clerk of court. Requires that consolidation of suits for delinquent taxes against a particular piece of property include into one proceeding all actions to collect and enforce all delinquent taxes against the parcel, including taxes that become delinquent after the original action is filed.

PUBLIC CHAPTER NO. 820

Exempts tangible personal property owned and used by nonprofit organizations to provide character development and other educational programs to youth about the Medal of Honor recipients; sets forth exemption criteria.

PUBLIC CHAPTER NO. 863

Specifies that a property tax lien does not attach to an easement appurtenant upon property that is a servient estate or to an easement in gross that was assessed separately from the

property by either the county assessor of property or the office of state assessed properties in the office of the comptroller.

PUBLIC CHAPTER NO. 911

Authorizes governing bodies to exclude from taxable value of property appearing on the assessment roll, the taxable value of properties subject to tax increment financing and properties within areas where an economic impact plan has been approved.

PUBLIC CHAPTER NO. 971

Exempts from property taxation barrels manufactured from timber that are used to age or store whiskey.

PUBLIC CHAPTER NO. 1013

Requires annual report by the commissioner of finance and administration identifying parcels of property which have been rendered tax exempt pursuant to the U.A. Moore Wetlands Acquisition Act. Requires comptroller to determine the appropriate tax rate and assessed value of every parcel of property acquired by the wildlife resources agency and certify to commissioner of finance and administration the amount of property tax revenue lost by each affected city or county the prior calendar year.