

HOUSE BILL 2496

By Farmer

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

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

SECTION 1. Tennessee Code Annotated, Section 7-88-114, is amended by adding the following as a new subsection:

(h) If a municipality or public authority is entitled to receive an allocation of sales tax revenues pursuant to this chapter and pursuant to § 67-6-103, then the municipality or public authority may apply such sales tax revenues from the applicable area for the purposes authorized under this chapter or for the purposes authorized by § 67-6-103, as determined by the municipality or public authority.

SECTION 2. Tennessee Code Annotated, Section 67-4-3002, is amended by deleting subdivision (7)(D) and substituting instead:

(D) A mixed-use development initially including a sports facility containing ten (10) or more sports fields or a performance venue with a seating capacity of at least two thousand five hundred (2,500), including any retail, office, hotel, apartment, condominium, and other commercial or residential uses, and for which any portion was located in a tourism development zone when certified, that is expected by the municipality to require a total public and private capital investment of three hundred million dollars (\$300,000,000) or more;

SECTION 3. This act takes effect upon becoming a law, the public welfare requiring it.

Amendment No. 2 to HB2496

Hicks G
Signature of Sponsor

AMEND Senate Bill No. 2633*

House Bill No. 2496

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Section 7-88-114, is amended by adding the following as a new subsection:

(h) If a municipality or public authority is entitled to receive an allocation of sales tax revenues pursuant to this chapter and pursuant to § 67-6-103, then the municipality or public authority may apply such sales tax revenues from the applicable area for the purposes authorized under this chapter or for the purposes authorized by § 67-6-103, as determined by the municipality or public authority.

SECTION 2. Tennessee Code Annotated, Section 67-4-3002, is amended by deleting subdivision (7)(D) and substituting instead:

(D) A mixed-use development initially including a sports facility containing ten (10) or more sports fields or a performance venue with a seating capacity of at least two thousand five hundred (2,500), including any retail, office, hotel, apartment, condominium, and other commercial or residential uses, and for which any portion was located in a tourism development zone when certified, that is expected by the municipality to require a total public and private capital investment of two hundred million dollars (\$200,000,000) or more;

SECTION 3. Tennessee Code Annotated, Section 67-6-103, is amended by adding the following language as a new subsection:

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(1) Notwithstanding the allocations provided for in subsection (a), if a performance venue with a seating capacity of not less than two thousand five hundred (2,500) is to be constructed or renovated as an adaptive use of a publicly owned stadium that previously was leased to a minor league baseball team playing at the Class AA level or higher that relocated within this state, then an amount must be apportioned and distributed to a public entity designated by the municipality that is responsible for the retirement of all or a portion of the original debt relating to such performance venue equal to the amount of any state and local sales and use tax revenue, other than any portion of local sales taxes that otherwise would be allocated for school purposes, from the sale of food and drink and other authorized goods or products, ticket sales, parking charges, and any other goods and services that occur on the premises on which the performance venue is located including any ancillary areas to such performance venue that are used for parking and related uses. Any such tax revenues must be applied to the debt service related to the performance venue, as such debt may be refinanced from time to time. This apportionment and distribution must continue until the date on which such debt is retired, or until the expiration of thirty (30) years from the end of the first full fiscal year after such venue is placed in service, whichever is sooner.

(2) Notwithstanding subdivision () (1) to the contrary, no portion of the revenue derived from the increase in the rate of sales and use tax allocated to educational purposes pursuant to chapter 529, § 9 of the Public Acts of 1992, and no portion of the revenue derived from the increase in the rate of sales and use tax from six percent (6%) to seven percent (7%) contained in chapter 856, § 4 of the Public Acts of 2002, must be apportioned and distributed pursuant to subdivision () (1). The revenue must continue to be allocated as provided in

chapter 529 of the Public Acts of 1992 and chapter 856 of the Public Acts of 2002, respectively.

SECTION 4. This act takes effect upon becoming a law, the public welfare requiring it.