



SENATE BILL 1398

By Watson

AN ACT to amend Tennessee Code Annotated, Title 48
and Title 67, relative to real property taxes.

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

SECTION 1. Tennessee Code Annotated, Section 67-5-701(e)(1), is amended by
adding the following language at the end of the subdivision:

The comptroller of the treasury may provide the estimates to members of the general
assembly via electronic means.

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.

Amendment No. 1 to SB1398

Briggs
Signature of Sponsor

AMEND Senate Bill No. 1398

House Bill No. 890*

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Section 48-101-312(b), is amended by deleting subdivisions (1) and (2) and substituting instead:

(1)

(A) The municipality may delegate to a corporation the authority to negotiate and enter into payments in lieu of ad valorem taxes with a corporation's lessees; provided, that such authorization must only be granted upon a finding that such payments are deemed to be in furtherance of the corporation's public purposes as defined in this subsection (b). The legislative body of the municipality making such delegation may, in its sole discretion, require the corporation to submit any such agreement to the legislative body for its approval.

(B) Further, if the proposed agreement would result in payments in lieu of taxes being made to any taxing jurisdiction that are less than the taxes that otherwise would be payable to such jurisdiction, then the corporation shall not enter into any such agreement until the corporation has given written notice of such agreement to the chief executive officer of each such taxing jurisdiction.

Upon receipt of such notice, the chief executive officer may either:

(i) Notify the corporation that the agreement must be submitted to the legislative body of that taxing jurisdiction for approval or disapproval;

or

(ii) Notify the corporation that the chief executive officer does not object to the proposed agreement.

(C) If the chief executive officer does not provide a notification to the corporation within ten (10) days of receipt of the notice from the corporation pursuant to subdivision (b)(1)(B), then the corporation may proceed to enter into the proposed agreement.

(D) If the chief executive officer requires that the agreement be submitted to the legislative body of the taxing jurisdiction, then the corporation shall not enter into the agreement unless the agreement is approved by such legislative body.

(2) If the project is located within the corporate limits of a municipality, the payments must be apportioned between the municipality and the county in the same manner as ad valorem taxes are apportioned on the date of execution of the agreement for payments in lieu of taxes. However, any agreement entered into on or after July 1, 2026, without complying with subdivision (b)(1), is void and unenforceable.

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.