

SENATE BILL 1677

By Walley

AN ACT to amend Tennessee Code Annotated, Section 4-3-5105 and Title 67, Chapter 5, relative to the administration of the state board of equalization.

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

SECTION 1. Tennessee Code Annotated, Section 4-3-5105, is amended by adding the following new subdivision:

(11)

(A) Manage appeals before the state board. Such management includes, but is not limited to, the power and duty to:

(i) Serve as the hearing officer for hearings before the board or the assessment appeals commission, if a hearing officer is appointed. The hearing officer may receive and grant motions to reschedule a hearing, withdraw an appeal, and adopt agreed or settlement orders submitted by parties;

(ii) Schedule hearings, prehearing conferences, or other such hearings or meetings as may be necessary or advisable to ensure the efficient hearing of appeals; and

(iii) Issue scheduling or discovery orders, or orders addressing discovery disputes, motions in limine, or other motions that are purely questions of law;

(B) This subdivision (11) is inclusive of any authority or responsibilities of the executive secretary that are otherwise provided by law and does not limit the executive secretary's authority in any way.

SECTION 2. Tennessee Code Annotated, Section 67-5-1501, is amended by adding the following new subsection:

(e) Appeal of Subsequent Tax Years.

(1) The state board of equalization's findings of value and classification as to real property that is not appraised annually must carry forward until the next county-wide reappraisal performed pursuant to part 16 of this chapter, except upon a finding of a material change to the property, or as a result of an appeal to the county or state board of equalization.

(2) A material change is any change prompting the assessor to issue an assessment change notice pursuant to § 67-5-509.

(3) This subsection (e) does not restrict the right of any party to appeal a decision as to the value of property.

SECTION 3. Tennessee Code Annotated, Section 67-5-212, is amended by deleting subdivision (b)(5) and substituting instead:

(5) Revocation of tax-exempt status.

(A) The state board of equalization may revoke any exemption approved under this section, either in whole or in part, if it determines the exemption was approved on the basis of fraud, misrepresentation, or erroneous information; the current owner of the property does not qualify for exemption; or the property is not actually being used for an exempt purpose. Property is not occupied and used for an exempt purpose if the property is not currently in use, has been abandoned, is not suitable for human habitation, or is being used for a nonexempt purpose.

(B) The board may initiate proceedings for revocation of a property's tax-exempt status on its own motion or upon the written complaint of any person.

Revocation is not retroactive unless the order of revocation incorporates a finding of fraud or misrepresentation on the part of the applicant or failure of the applicant to give notice of a change in the use or ownership of the property as required by this section.

(C) The board, the executive secretary, or the executive secretary's designee may determine that property no longer qualifies for property tax exemption or may modify the tax-exempt status of a property. The board shall revoke a property's tax-exempt status through its staff designee. Written notice of the revocation must be sent to the property owner, the county assessor of property, and the county trustee, specifying the date the property's tax-exempt status ends. Written notice includes notification by electronic means, and the record of notice may be preserved in digital or electronic format. Either the county assessor of property or the property owner may appeal the initial determination to the board and is entitled to a hearing prior to any final determination.

(D) A revocation is final ninety (90) days after the date the written notice is sent, absent an appeal filed pursuant to § 67-5-1501(c). An appeal of a revocation of a property's tax-exempt status must be treated as an appeal for purposes of § 67-5-1512.

SECTION 4. If any provision of this act or its application to any person or circumstance is held invalid, then the invalidity does not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end, the provisions of this act are severable.

SECTION 5. The headings to subsections, subdivisions, sections, chapters, and parts in this act are for reference purposes only and do not constitute a part of the law enacted by this

act. However, the Tennessee Code Commission is requested to include the headings in any compilation or publication containing this act.

SECTION 6. This act takes effect upon becoming a law, the public welfare requiring it.

Senate State and Local Government 1

Amendment No. 1 to SB1677

Briggs
Signature of Sponsor

AMEND Senate Bill No. 1677*

House Bill No. 1729

by deleting Section 2 and renumbering the remaining sections accordingly.