

SENATE BILL 2520

By Haile

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 6, Part 7, relative to the retail sale of food
and food ingredients.

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

SECTION 1. Tennessee Code Annotated, Section 67-6-702(a)(1), is amended by designating the existing language as subdivision (A) and adding the following as a new subdivision (B):

(B) A county, by resolution of its county legislative body, or an incorporated city or town, by ordinance of its governing body, is authorized to:

(i) Levy a tax on the retail sale of food and food ingredients, as described in § 67-6-228(a), within the county, city, or town at a rate less than the rate levied pursuant to subdivision (a)(1)(A); or

(ii) Exempt from the tax levied pursuant to subdivision (a)(1)(A) the retail sale of food and food ingredients, as described in § 67-6-228(a), within the county, city, or town.

SECTION 2. Tennessee Code Annotated, Section 67-6-702(a)(1), is amended by deleting the language "Any county, by resolution of its county legislative body," and substituting instead the language "Subject to subdivision (a)(1)(B), a county, by resolution of its county legislative body,".

SECTION 3. Tennessee Code Annotated, Section 67-6-705(b), is amended by adding the language ", or the levying of a reduced tax rate or an exemption pursuant to § 67-6-702(a)(1)(B)," immediately after the language "an increase in the privilege tax rates".

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