

SENATE BILL 2612

By Robinson

AN ACT to amend Tennessee Code Annotated, Title 67,  
relative to purchases of shares of stock.

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

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 4, is amended by adding the following as a new part:

**67-4-3301.** As used in this part:

(1) "Person" means every natural person, inhabitant, resident, beneficiary of every trust or estate, partnership, joint-stock company, business trust, corporation, or any other form of organization;

(2) "Retirement account" means a 401(k) account, 403(b) account, 457(b) account, individual retirement account (IRA), Roth IRA, or simplified employee pension (SEP) account;

(3) "Stocks" means shares of stock issued by corporations chartered and organized under the laws of the state of Tennessee, or of any other state, or of the United States, or of any foreign government, and all interests in partnerships, associations, or trusts represented by transferable evidence of such interest; and

(4) "Tax year" means the calendar year, unless a fiscal year is elected by the taxpayer when the first fiscal year return is due to be filed.

**67-4-3302.** Any person who purchases shares of stock during any tax year is subject to a tax equal to six and one-quarter percent (6.25%) of the purchase price of the shares on the date of purchase.

**67-4-3303.** Any person who has a legal domicile in this state is subject to the tax imposed by this part. Every person who maintains a place of residence in this state for

more than six (6) months in the tax year is subject to the tax imposed by this part, regardless of what place the person claims as a legal domicile.

**67-4-3304.** There is exempt from the tax imposed by this part any purchases made for retirement accounts.

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