

## TITLE 5

MUNICIPAL FINANCE AND TAXATION<sup>1</sup>

## CHAPTER

1. REAL PROPERTY TAXES.
2. SALES AND USE TAX
3. PRIVILEGE TAXES.
4. WHOLESALE BEER TAX.
5. COMPETITIVE BIDDING.
6. HOTEL/MOTEL PRIVILEGE TAXES.

## CHAPTER 1

REAL PROPERTY TAXES

## SECTION

- 5-101. When due and payable.  
5-102. Delinquent taxes.

**5-101. When due and payable.** Taxes levied by the city against real property shall become due and payable in accordance with Article VIII of the charter. (1991 Code, § 5-101, modified)

**5-102. Delinquent taxes.** All real property taxes which become delinquent shall be subject to such penalty and interest as is provided for in Article VIII of the charter. (1991 Code, § 5-102)

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<sup>1</sup>Charter references:  
Property taxes: art. VIII.

## CHAPTER 2

SALES AND USE TAX

## SECTION

- 5-201. Tax rate.
- 5-202. Effective date.
- 5-203. Collection by the State Department of Revenue.
- 5-204. Administration and collection costs.
- 5-205. Suits for recovery.

**5-201. Tax rate.** A sales and use tax is levied at the rate of 5/22 of the rate levied in the Retailer's Sales Tax Act (Tennessee Code Annotated, section 67-6-701--67-6-712), except as limited or modified by statute. (1991 Code, § 5-201)

**5-202. Effective date.** If a majority of those voting in the election required by Tennessee Code Annotated, § 67-6-706 vote for the increase in tax imposed by this ordinance, collection of the increased tax levied by this ordinance shall begin on the first day of the month occurring thirty or more days after the county election commission makes its official canvass of the election returns. (1991 Code, § 5-202)

**5-203. Collection by the State Department of Revenue.** The Department of Revenue of the State of Tennessee shall collect the additional tax imposed by this ordinance concurrent with the collection of the state tax and the local tax now being collected for the City of Kingston, in accordance with rules and regulations promulgated by the department. (1991 Code, § 5-203)

**5-204. Administration and collection costs.** The mayor is hereby authorized to contract with the Department of Revenue for the collection of the additional tax imposed by this ordinance, and to provide in the contract that the Department may deduct from the tax collected a reasonable amount or percentage to cover the expense of the administration and collection of the tax. (1991 Code, § 5-204)

**5-205. Suits for recovery.** In the event the tax is collected by the Department of Revenue, suits for the recovery of any tax illegally assessed or collected shall be brought against the state Commissioner of Revenue and the Mayor of the City of Kingston. (1991 Code, § 5-205)

**CHAPTER 3****PRIVILEGE TAXES****SECTION**

5-301. Tax levied.

5-302. License required.

**5-301. Tax levied.** Except as otherwise specifically provided in this code, there is hereby levied on all vocations, occupations, and businesses declared by the general laws of the state to be privileges taxable by municipalities, an annual privilege tax in the maximum amount allowed by said state laws. The taxes provided for in the state's "Business Tax Act" (title 67, chapter 4, Tennessee Code Annotated) are hereby expressly enacted, ordained, and levied on the businesses, business activities, vocations, and occupations carried on within the city at the rates and in the manner prescribed by the said act. (1991 Code, § 5-301)

**5-302. License required.** No person shall exercise any such privilege within the city without a currently effective privilege license, which shall be issued by the city manager to each applicant therefor upon such applicant's compliance with all regulatory provisions in this code and payment of the appropriate privilege tax. (§ 6-302, 1991 Code, § 5-302)

## CHAPTER 4

WHOLESALE BEER TAX

## SECTION

5-401. To be collected.

**5-401. To be collected.** The city manager is hereby directed to take appropriate action to assure payment to the city of the wholesale beer tax levied by the "Wholesale Beer Tax Act," as set out in chapter 6 of title 57, Tennessee Code Annotated.<sup>1</sup> 1991 Code, § 5-401)

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<sup>1</sup>State law reference

Tennessee Code Annotated, title 57, chapter 6 provides for a tax of 17% on the sale of beer at wholesale. Every wholesaler is required to remit to each municipality the amount of the net tax on beer wholesale sales to retailers and other persons within the corporate limits of the municipality.

Municipal code reference

Alcohol and beer regulations: title 8.

## CHAPTER 5

COMPETITIVE BIDDING<sup>1</sup>

## SECTION

5-501. Bidding required.

**5-501. Bidding required.** (1) Public advertised and competitive bidding pursuant to Tennessee Code Annotated, § 6-56-301 is required for all purchases by the city to which said statutes apply.

(2) Formal, sealed bids shall be obtained in all transactions involving the expenditure of twenty-five thousand dollars (\$25,000.00) or more, and any transaction involving the expenditure of twenty-five thousand dollars (\$25,000.00) or more shall be evidenced by a written contract submitted to and approved by the city council. (1991 Code, § 5-501, modified)

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<sup>1</sup>Charter reference

Competitive bidding regulations: art. V, § 5.07.

## CHAPTER 6

HOTEL/MOTEL PRIVILEGE TAXES

## SECTION

- 5-601. Definitions.
- 5-602. Permit required.
- 5-603. Fee.
- 5-604. Not transferrable.
- 5-605. Duration.
- 5-606. Register required; availability for inspection.
- 5-607. Rooms to be numbered.
- 5-608. Privilege tax levied; use.
- 5-609. Payment of the tax.
- 5-610. Compensation to the hotel.
- 5-611. Interest and penalty for late payment.
- 5-612. Records requirement.

**5-601. Definitions.** As used in this chapter:

(1) "Consideration" means the consideration charged, whether or not received, for the occupancy in a hotel valued in money, goods, labor or otherwise, including all receipts, cash, credits, property and services of any kind or nature without any deduction therefrom whatsoever;

(2) "Hotel" means any structure or space, or any portion thereof, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist camp, tourist cabin, motel or any place in which rooms, lodgings or accommodations are furnished to transients for a consideration;

(3) "Occupancy" means the use or possession, or the right to use or possession, of any room, lodgings or accommodations in any hotel;

(4) "Operator" means the person operating the hotel whether as owner, lessee or otherwise.

(5) "Persons" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, estate, trust, business trust, receiver, trustee, syndicate or any other group or combination acting as a unit; and

(6) "Transient" means any person who exercises occupancy or is entitled to occupancy of any rooms, lodgings or accommodations in a hotel for a period of less than thirty (30) continuous days. (Ord. #8-3-11, March 2008)

**5-602. Permit required.** No person will conduct, keep, manage, operate or cause to be conducted, kept, managed or operated, either as owner, lessor, agent or attorney, any hotel in the city without having obtained a permit from the city administrator or his designee to do so. (Ord. #8-3-11, March 2008)

**5-603. Fee.** The fee for each hotel permit will be twenty-five dollars (\$25.00). (Ord. #8-3-11, March 2008)

**5-604. Not transferable.** No permit issued under the ordinance comprising this chapter shall be transferred or assigned. (Ord. #8-3-11, March 2008)

**5-605. Duration.** Hotel permits shall be issued annually and shall expire on the last day of December of each year. (Ord. #8-3-11, March 2008)

**5-606. Register required; availability for inspection.** Every person to whom a permit is issued under this chapter shall at all times keep a standard hotel register, in which shall be inscribed the names of all guests renting or occupying rooms in his hotel. Such register shall be signed in every case by the persons renting a room or by someone under his direction, and after registration is made and the name of the guest is inscribed as herein provided, the manager shall write the number of the room which guest is to occupy, together with the time such room is rented, before such person is permitted to occupy such room. The register shall be open to inspection at all times to the city administrator or his designee. (Ord. #8-3-11, March 2008)

**5-607. Rooms to be numbered.** Each sleeping room and apartment in every hotel in the city shall be numbered in a plain and conspicuous manner. The number of each room shall be placed on the outside of the door of such room, and no two (2) doors shall bear the same number. (Ord. #8-3-11, March 2008)

**5-608. Privilege tax levied; use.** (1) Pursuant to the provisions of Tennessee Code Annotated, §§ 67-4-1401 through § 67-4-1325, there is hereby levied a privilege of occupancy in any hotel of each transient. From and after the operative date of this chapter, the rate of the levy shall be five percent (5%) of the consideration charged by the operator. This privilege tax shall be collected pursuant to and subject to the provisions of these statutory provisions. The fiscal officer shall be designed as the authorized collector to administer and enforce this chapter and these statutory provisions.

(2) The proceeds received from this tax shall be available for the city's general fund. Proceeds of this tax may not be used to provide a subsidy in any form to any hotel or motel. (Ord. #8-3-11, March 2008)

**5-609. Payment of the tax.** Payment of the tax by the motel to the city shall be no later than the 20th day of each month for the preceding month. (Ord. #8-3-11, March 2008)

**5-610. Compensation to the hotel.** The hotel may deduct two percent (2%) from the amount paid to the city. (Ord. #8-3-11, March 2008)

**5-611. Interest and penalty for late payment.** The hotel operator is responsible for paying interest on delinquent taxes, eight percent (8%) per annum, plus a penalty of one percent (1%) per month. (Ord. #8-3-11, March 2008)

**5-612. Records requirement.** The hotel operator must keep records for three (3) years, with the right of inspection by the city. (Ord. #8-3-11, March 2008)