

HOUSE BILL 1635

By Wood

AN ACT to amend Tennessee Code Annotated, Section 67-1-111, relative to a severance tax on certain crops, timber or other plants.

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

SECTION 1. Tennessee Code Annotated, Section 67-1-111, is amended by deleting the section in its entirety and by substituting instead the following new section:

Section _____. The rate of any tax levied on the activity of harvesting or severing from the ground row crops, timber or other plants shall be equal and uniform in every county in the state. Any such tax levied by private act or otherwise prior to the effective date of this act shall remain valid and in effect but the rate of tax shall not be increased by private act after the effective date of this act. No such tax shall be levied by any city or county after the effective date of this act unless authorized by general law.

A county may levy a severance tax on trees cut for pulpwood. Owners of the harvest rights to one hundred (100) or more contiguous or non-contiguous acres of forestland within the county at the time of severance shall be liable for the tax. The tax rate shall not exceed one dollar fifty cents (\$1.50) per ton of pulpwood. The tax shall not apply to any waste products from timber.

As used in this act:

(1) "Timber" means any tree that is harvested for the production of sawed dimensional lumber.

(2) "Pulpwood" means trees severed from the ground, both hardwood and softwood that are ground or chipped and used to manufacture particle or composite wood, artificial fiber, or paper products.

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