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HOUSE BILL 606 By
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SENATE BILL 904
By Dixon

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 6, relative to sales tax exemption for purchasing personal computers.

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

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by adding the following new section:

67-6-385.

(a) The sale at retail to an individual purchaser for non-business purposes or non-business use by such person of a personal computer is exempted from the taxes imposed by this chapter during the period beginning August 6, 2001, through and including August 13, 2001, and beginning February 18, 2002, through and including February 25, 2002. This exemption shall not include computer leasing, rental, repair or alteration.

(b) As used in this section, "personal computer" means a laptop, desktop, or tower computer system, including all computer hardware and software sold together in the same sale at retail, where the computer system includes, at a minimum, a central processing unit, random access memory, a storage drive, a

display monitor and a keyboard, except that the term shall not include minicomputers, mainframe computers, network servers, local area network hubs, routers and cabling, hardware word processors, personal digital assistants, graphical calculators, hand-held computers, game consoles, Internet television devices, network operating systems, multiple-user licensed software and hardware, separate sales at retail or use of internal or external components and separate sales of add-on components. As used in this section, "purchaser" means an individual who pays the purchase price during the exemption period, regardless of whether such purchaser takes delivery during the exemption period.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect July 1, 2001, the public welfare requiring it.