

CHAPTER NO. 456

SENATE BILL NO. 1496

By Rochelle, Person

Substituted for: House Bill No. 1582

By Rinks, McDaniel, Patton

AN ACT To amend Tennessee Code Annotated, Title 40, Chapter 11 and Title 67, Chapter 4, relative to taxes.

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 Sections 2-8 as a new part.

SECTION 2. The tax herein imposed is a state tax for state purposes only and no county or municipality or taxing district shall have power to levy any like tax.

SECTION 3. The supervision and collection of the tax imposed by this part is under the direction of the Department of Revenue. The department has the authority and power to prescribe forms upon which individuals and entities required to collect and remit the tax imposed shall make reports of such facts and information as will enable the commissioner to ascertain the correctness of the amount reported and paid by such individuals and entities.

SECTION 4. A tax is hereby imposed on all bail bonds in this state, as provided in Title 40, Chapter 11, in the amount of twelve dollars (\$12.00) per bail bond. For purposes of this part, an increase or decrease in the amount of an existing bail bond shall not constitute a new bail bond.

SECTION 5. If a bail bond is sought pending appeal of a conviction, an additional tax in the amount of twelve dollars (\$12.00) shall be imposed, even if the bond is a continuation of a previous bond.

SECTION 6. Payment of the tax imposed by this part shall be a condition precedent to the validity of any bail bond under Title 40, Chapter 11. No bond shall issue unless the tax has been paid.

SECTION 7. It shall be the duty of the bail bondsman to collect the tax imposed by this part and to remit the tax to the Department of Revenue in such manner as the department may determine. A special account shall be created by the Department of Revenue into which all taxes collected under this part shall be deposited. All remitted revenues shall be maintained in such segregated account within the Department of Revenue until distributed or deposited, as required in this section, into the civil legal representation of indigents fund authorized and created by §16-3-808. Such funds derived from the tax imposed and collected pursuant to this act shall be expended or distributed as follows:

- (1) Four percent (4%) shall be distributed to underwrite costs associated with development and provision of continuing education courses mandated by Tennessee Code Annotated, Title 40, Chapter 11, Part 4;

(2) The remainder shall be used to provide legal representation to low-income Tennesseans in civil matters in such manner as determined by the Supreme Court as described in §16-3-808(c); provided that one-fourth (1/4) of this remainder shall be allocated to an appropriate statewide nonprofit organization capable of providing continuing legal education, technology support, planning assistance, resource development and other support to organizations delivering civil legal representation to indigents. The remainder shall be distributed to organizations delivering direct assistance to clients with Legal Services Corporation funding as referenced in the Tennessee State Plan for Civil Legal Justice approved in March 2001, by the Legal Services Corporation.

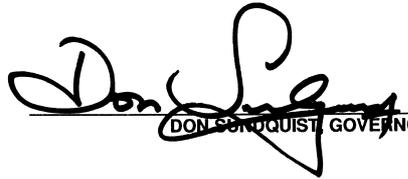
SECTION 8. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: July 12, 2001


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 24th day of July 2001


DON SUNDQUIST, GOVERNOR