

SENATE BILL 2909

By Henry

AN ACT to amend Tennessee Code Annotated, Title 67,  
Chapter 3, relative to taxes on certain petroleum  
products.

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

SECTION 1. Tennessee Code Annotated, Section 67-3-201, is amended by adding the following language as new subsection (b) and by redesignating the present language accordingly:

(b)

(1) Beginning January 1, 2013, and on January 1 of each year thereafter until 2018, the tax rate provided in subsection (a) shall be increased by one cent (1¢).

(2) The department shall notify each supplier, position holder, wholesaler, and importer of the tax rate applicable under this subsection for the twelve-month period beginning January 1, 2013, and January 1 each year thereafter.

SECTION 2. Tennessee Code Annotated, Section 67-3-202, is amended by adding the following language as new subsection (b) and by redesignating the present language accordingly:

(b)

(1) Beginning January 1, 2013, and on January 1 of each year thereafter until 2018, the tax rate provided in subsection (a) shall be increased by one cent (1¢).

(2) The department shall notify each supplier, position holder, wholesaler, and importer of the tax rate applicable under this subsection for the twelve-month period beginning January 1, 2013, and January 1 each year thereafter.

SECTION 3. Tennessee Code Annotated, Section 67-3-901, is amended by adding a new subsection thereto, as follows:

(l) Revenues from the increases in taxes imposed by this act shall be distributed in accordance with the following formula:

(A) Of such amount of revenues collected pursuant to § 67-3-201(b) and § 67-3-202(b), one percent (1%) shall be subtracted from the amount designated for cities and one percent (1%) shall be subtracted from the amount designated for counties for distribution to the general fund for expenses of administration prior to the distribution of the funds to the cities or counties;

(B) Sixty-six and two-thirds percent (66 2/3%) of revenues collected pursuant to § 67-3-201(b) and § 67-3-202(b) shall be distributed to the various counties of the state on the basis set out in § 54-4-103; and

(C) Thirty-three and one-third percent (33 1/3%) of revenues collected pursuant to § 67-3-201(b) and § 67-3-202(b) shall be distributed to the various municipalities, as defined by § 54-4-201, on the basis set out in § 54-4-203.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.