

Amendment No. 1 to SB1743

Southerland
Signature of Sponsor

AMEND Senate Bill No. 1743*

House Bill No. 1769

by deleting SECTION 1 and substituting the following:

SECTION 1. Tennessee Code Annotated, Section 67-5-203, is amended by adding the following as a new subsection:

(g)

(1) Notwithstanding this section to the contrary, if a state government agency acquires real property in the name of this state on or after the effective date of this act, then the state government agency or, if the state government agency leases the property to a person or entity, the state government agency's lessee, shall make payments in lieu of ad valorem taxes with respect to the property.

(2) The payments in lieu of taxes shall be payable to all applicable taxing jurisdictions in which real property acquired in the name of this state by a state government agency on or after the effective date of this act is located and shall be equal to the ad valorem taxes that were or would have been due and payable on the property to each taxing jurisdiction for the tax year prior to the year the property was purchased or otherwise acquired by the state government agency.

(3) The legislative body of each applicable taxing jurisdiction and the state government agency or state government agency's lessee, as applicable, shall enter into a written agreement for the payments.

(4) This subsection (g) shall apply only in counties where at least eighteen percent (18%) of the total acreage within the county's territorial

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jurisdiction is owned by state government agencies or held by state government agencies in the name of the state.

(5) Nothing in this subsection (g) requires a state government agency to make an additional payment in lieu of taxes with regard to real property for which the affected city or county receives compensation for property taxes under § 11-14-406, § 11-7-109, or any other provision of law.

(6) As used in this section, "state government agency" means the wildlife resources agency, the department of agriculture, the department of environment and conservation, and the University of Tennessee agricultural extension.