

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 938 - HB 1038

March 25, 2015

SUMMARY OF BILL: Prohibits property taxation of marinas yacht clubs, docks or similar property located on federally owned property when the marina owner or operator has entered into agreement with the U.S. government or agency to make payments in lieu of taxes.

ESTIMATED FISCAL IMPACT:

Decrease Local Revenue - Exceeds \$100,000

Assumptions:

- This bill relates to property tax, which is a local government issue; therefore, this bill is not relevant to state government operations.
- Based on information from the Comptroller of the Treasury (COT), it is estimated that there will be a recurring decrease in local revenue as a result of this bill.
- The fiscal impact is dependent upon several unknown factors such as the extent that marinas, yacht clubs, docks, and other similar properties have agreements with the U.S. government, the terms of those agreements, and the extent to which property taxes are currently being paid.
- Given the extent of unknown factors, determining a precise impact to local government as a result of this bill is difficult. However, and based on information provided by the COT, the recurring decrease in local revenue is estimated to exceed \$100,000.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Jeffrey L. Spalding".

Jeffrey L. Spalding, Executive Director

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