

HOUSE BILL 503

By Eldridge

AN ACT to amend Tennessee Code Annotated, Title 64, Chapter 10, Part 1, relative to the purposes and taxation of the East Tennessee regional agribusiness marketing authority.

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

SECTION 1. Tennessee Code Annotated, Section 64-10-101(c), is amended by adding the following language as a new subdivision:

Further the economy and growth of the region served by the authority by developing, marketing, and promoting facilities for warehousing, distribution, light manufacturing, and agribusiness purposes.

SECTION 2. Tennessee Code Annotated, Section 64-10-106(a), is amended by adding the following language as a new subdivision:

Enter into lease purchase agreements with private individuals, corporations, associations, and other organizations currently leasing property from the authority or wishing to establish a location on authority property. Any lease purchase agreement entered into under this subdivision (a)( ) must be approved by a two-thirds (2/3) majority vote of the board.

SECTION 3. Tennessee Code Annotated, Section 64-10-119(a), is amended by deleting the subsection and substituting instead the following:

The authority, its properties at any time owned by it, and the income and revenues derived from such properties are exempt from all state, county, and municipal taxation. Notwithstanding this subsection (a) and § 64-10-101(a), any property sold by the authority under a lease purchase agreement is not exempt from state, county, or municipal taxation. All bonds, notes, and other obligations issued by the authority and

the income from such bonds, notes, and other obligations are exempt from all state, county, and municipal taxation, except inheritance, transfer, and estate taxes, or except as otherwise provided by state law. Bonds issued by the authority are deemed to be securities issued by a public instrumentality or a political subdivision of the state.

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