

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 720 - HB 890**

March 8, 2019

**SUMMARY OF BILL:** Allocates revenue from the occupancy tax imposed by Hamilton County on any short-term vacation rental unit located within the short-term vacation rental unit districts established by the city of Chattanooga to the city. Requires such revenue to be used solely to provide, update, construct, and renovate equipment or enhancements to city-owned youth and family development facilities, city-owned youth association recreation fields, city-owned senior citizen facilities, and other city-owned community gathering places within the districts.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- Hamilton County currently collects the occupancy tax on short-term rentals. The proposed legislation will allocate any revenue collected from short-term vacation rental unit districts established by the city of Chattanooga to the city to be used to enhance certain city-owned youth and community facilities.
- This represents a shift of use of such local revenue from the county to the city; however, total local tax collections will not be impacted by the proposed legislation. Any net impact to local government is estimated to be not significant.

**CERTIFICATION:**

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

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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