

House State & Local Government Committee Amendment No. 1

AMENDMENT NO. _____

Signature of Sponsor

FILED
Date _____
Time _____
Clerk _____
Comm. Amdt. _____

AMEND Senate Bill No. 1545

House Bill No. 1510

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 5, Part 6, is amended by adding the following language as a new, appropriately designated section:

Section _____. Leasehold interests assessable under Section 67-5-502 shall be valued by discounting to present value the excess, if any, of fair market rent over actual rent for the leased premises, for the projected term of the lease including renewal options. By virtue of the speculative nature of valuation of options to purchase, any option which the lessee may be given to purchase the leased premises shall be deemed to have no value. The state board of equalization is authorized to promulgate rules governing the procedure for these valuations.

SECTION 2. This act shall take effect on January 1, 1996, and shall not affect rights or duties that matured, liabilities or penalties that were incurred, or proceedings begun before its effective date.