

TITLE 5

MUNICIPAL FINANCE AND TAXATION¹

CHAPTER

1. MISCELLANEOUS.
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3. PRIVILEGE TAXES.
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CHAPTER 1

MISCELLANEOUS

SECTION

5-101. Official depository for town funds.

5-101. Official depository for town funds. The following banks are hereby designated as official depositories for all town funds:

Trustmark Banking
11915 Highway 70
Arlington, TN 38002

First Citizens National Bank
5845 Airline Road
Arlington, TN 38002

First Tennessee Bank N.A.
11610 Highway 70
Arlington, TN 38002

(Ord. #1998-22, Feb. 1999, modified, as amended by Ord. #2017-10, Aug. 2017)

¹Charter references

For specific charter provisions on depositories of municipal funds, see Tennessee Code Annotated, § 6-4-402.

CHAPTER 2

REAL PROPERTY TAXES

SECTION

5-201. When due and payable.

5-202. When delinquent--penalty and interest.

5-201. When due and payable. Taxes levied by the town against real property shall become due and payable annually on the first Monday of December of the year for which levied. (1994 Code, § 6-101)

5-202. When delinquent--penalty and interest. All real property taxes shall become delinquent on and after the first day of March next after they become due and payable and shall thereupon be subject to such penalty and interest as follows: a penalty of one-half percent ($\frac{1}{2}\%$) per month plus one percent (1%) interest per month for a total penalty and interest of one and one-half percent ($1\frac{1}{2}\%$) for the first month and each and every month thereafter. (1994 Code, § 6-102)

CHAPTER 3

PRIVILEGE TAXES

SECTION

5-301. Tax levied.

5-302. License required.

5-301. Tax levied. Except as otherwise specifically provided in this code, there is hereby levied on all vocations, occupations, and businesses declared by the general laws of the state to be privileges taxable by municipalities, an annual privilege tax in the maximum amount allowed by state laws. The taxes provided for in the state's "Business Tax Act" (Tennessee Code Annotated, § 67-4-701, et seq.) are hereby expressly enacted, ordained, and levied on the businesses, business activities, vocations, and occupations carried on within the town at the rates and in the manner prescribed by the said act. The recorder is hereby authorized to levy a collection fee as set by Tennessee Code Annotated, § 67-4-717 upon each enumerated business which is subject to the business tax for said year. The collection fee is to be paid at time of payment of the tax levied herein. Fees collected under this section shall be paid into and become part of the general fund. (1994 Code, § 6-201)

5-302. License required. No person shall exercise any such privilege within the town without a currently effective privilege license, which shall be issued by the recorder to each applicant therefor upon payment of the appropriate privilege tax. (1994 Code, § 6-202)

CHAPTER 4

WHOLESALE BEER TAX

SECTION

5-401. To be collected.

5-401. To be collected. The recorder is hereby directed to take appropriate action to assure payment to the town of the wholesale beer tax levied by the "Wholesale Beer Tax Act," as set out in Tennessee Code Annotated, title 57, chapter 6.¹ (1994 Code, § 6-301)

¹State law reference

Tennessee Code Annotated, title 57, chapter 6 provides for a tax of 17% on the sale of beer at wholesale. Every wholesaler is required to remit to each municipality the amount of the net tax on beer wholesale sales to retailers and other persons within the corporate limits of the municipality.

CHAPTER 5

PUBLIC ADVERTISEMENT AND COMPETITIVE BIDDING

SECTION

5-501. Limits set.

5-501. Limits set. Public advertisement and competitive bidding shall be required for the purchase of all goods and services exceeding an amount of ten thousand dollars (\$10,000.00) except for those purchases specifically exempted from advertisement and bidding by the Municipal Purchasing Act of 1983. (1994 Code, § 1-501, as amended by Ord. #2000-01, March 2000)

CHAPTER 6

HOTEL/MOTEL TAX

SECTION

- 5-601. Definitions.
- 5-602. Authorization - rates.
- 5-603. Collection refund.
- 5-604. Remittance of tax - monthly tax return - annual audit.
- 5-605. Restrictions on operator.
- 5-606. Delinquent taxes - interest and penalty.
- 5-607. Records - inspection.
- 5-608. Administration and enforcement - remedies of taxpayers.
- 5-609. Disposition and deposit of proceeds.
- 5-610. Tax is additional tax.
- 5-611. Limitation on levy of tax.
- 5-612. Severable provisions.

5-601. Definitions. As used in this chapter unless the context otherwise requires:

- (1) "Consideration" means any structure charged, whether or not received, for the occupancy in a hotel valued in money whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits, property and services of any kind or nature without any deduction therefrom whatsoever. Nothing in this definition shall be construed to imply that consideration is charged when the room, lodging, space, or accommodation provided to the person is complimentary from the operator and no consideration is charged to or received from any person.
- (2) "Hotel" means any structure or space, or any portion thereof which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist camp, tourist court, tourist cabin, motel, or any place in which rooms, lodgings, accommodations or spaces are furnished to transients for a consideration.
- (3) "Occupancy" means the use or possession, or the right to the use or possession, of any room, lodging, spaces or accommodations in any hotel.
- (4) "Operator" means the person operating the hotel whether as owner, lessee or otherwise and includes any governmental unit.
- (5) "Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, governmental unit or any other group or combination acting as a unit.
- (6) "Transient" means any person who exercises occupancy or is entitled to occupancy for any rooms, lodgings, spaces or accommodations in a

hotel for a period of less than thirty (30) continuous days. (as added by Ord. #2016-01, March 2016)

5-602. Authorization - rates. (1) The Town of Arlington, Tennessee, is authorized to levy a privilege tax upon the privilege of occupancy in any hotel of each transient within its municipal boarders in accordance with the requirements of Tennessee Code Annotated, § 67-4-1425(c).

(2) The Town of Arlington, Tennessee, is authorized to and hereby levies a privilege tax upon the privilege of occupancy in any hotel of each transient in the amount of five percent (5%) of the consideration charged by the operator. Such tax is a privilege tax upon the transient occupying such room and is to be collected as provided in this chapter. (as added by Ord. #2016-01, March 2016)

5-603. Collection refund. (1) Such tax shall be added by each and every operator to each invoice prepared by the operator for the occupancy of the hotel and given directly or transmitted to the transient, a copy thereof to be filed and retained by the operator. Such tax shall be collected by such operator from the transient and remitted to the Town of Arlington.

(2) When a person has maintained occupancy for thirty (30) continuous days, that person shall receive from the operator a refund or credit for the tax previously collected or charged, and the operator shall receive credit for the amount of such tax if previously paid or reported to the town. (as added by Ord. #2016-01, March 2016)

5-604. Remittance of tax - monthly tax return - annual audit. (1) The tax levied shall be remitted by all operators who lease, rent or charge for any rooms, lodgings, or accommodations in hotels within the town to the town recorder/treasurer, such tax to be remitted to such officer not later than the twentieth (20th) day of each month for the preceding month. The operator is required to collect the tax from the transient at the time of the presentation of the invoice for such occupancy, whether prior to, during or after occupancy, as may be the custom of the operator, and if credit is granted by the operator to the transient, then the obligation due to the Town of Arlington shall be that of the operator.

(2) The town recorder/treasurer shall be responsible for the collection of such tax and shall place the proceeds of such tax in the general funds account of the town.

(3) A monthly tax return shall be filed under oath with the Town recorder/treasurer by the operator with such number of copies thereof as the town recorder/treasurer may reasonably require for the collection of such tax. The report of the operator shall include such facts and information as may be deemed reasonable for the verification of the tax due. The form of such report

shall be developed by the town recorder/treasurer and approved by the board of mayor and alderman prior to use.

(4) The town recorder/treasurer may audit each operator in the town at least once per year and shall report on the audits made on a quarterly basis to the board of mayor and alderman. The board of mayor and alderman is hereby authorized to adopt reasonable rules and regulations for the implementation of the provisions of this chapter, including the form for such reports. (as added by Ord. #2016-01, March 2016)

5-605. Restrictions on operator. No operator of a hotel shall advertise or state in any manner, whether directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the operator or that it will not be added to the rent, or that if added, any part will be refunded. (as added by Ord. #2016-01, March 2016)

5-606. Delinquent taxes - interest and penalty. (1) Taxes collected by an operator which are not remitted to the town recorder/treasurer on or before the due dates provided in § 5-604 are delinquent.

(2) An operator is liable for interest on such delinquent taxes from the due date at the rate of twelve percent (12%) per annum, and is liable for an additional penalty of one percent (1%) for each month or fraction thereof such taxes are delinquent. Such interest and penalty shall become a part of the tax herein required to be remitted.

(3) Each occurrence of willful refusal of an operator to collect or remit the tax or willful refusal of a transient to pay the tax imposed is a violation of this chapter and shall be punishable by the civil penalty not in excess of fifty dollars (\$50.00). (as added by Ord. #2016-01, March 2016)

5-607. Records - inspection. It is the duty of every operator liable for the collection and payment to the town of any tax imposed by this chapter to keep and preserve for a period of three (3) years all records as may be necessary to determine the amount of such tax for which the operator may have been liable for the collection of and payment to the town, which records the town recorder/treasurer or his/her designee shall have the right to inspect at all reasonable times. (as added by Ord. #2016-01, March 2016)

5-608. Administration and enforcement - remedies of taxpayers.

(1) The town recorder/treasurer in administering and enforcing the provisions of this chapter has as additional powers those powers and duties with respect to collecting taxes as provided in title 67 of Tennessee Code Annotated or otherwise provided by law.

(2) Upon any claim of illegal assessment and collection, the taxpayer has the remedies provided in Tennessee Code Annotated, § 67-1-911. It is the intent of this chapter that the provisions of law which apply to the recovery of

state taxes illegally assessed and collected shall also apply to the tax levied under the authority of this chapter; provided, the town recorder/treasurer shall possess those powers and duties as provided in Tennessee Code Annotated, § 67-1-707, with respect to adjustment and settlement with taxpayers of all errors of taxes collected under the authority of this chapter and to direct the refunding of same.

(3) With respect to the adjustment and settlement with taxpayers, all errors of taxes collected by the town recorder/treasurer under authority of this chapter shall be refunded by the town; provided, however, that any claim for such refund alleged to have been erroneously or illegally paid shall be filed with the town recorder/treasurer, supported by proper proof, within one (1) year from the date of payment, otherwise the taxpayer shall not be entitled to refund and the claim for refund shall be barred.

(4) Notice of any tax paid under protest shall be given to the town recorder/treasurer, and suit may be brought for recovery of such tax against the town administrator in his/her official capacity. (as added by Ord. #2016-01, March 2016)

5-609. Disposition and deposit of proceeds. The proceeds of the tax received by the town from the tax levied pursuant to this chapter shall be allocated to such funds as the board of mayor and alderman shall from time to time direct, in accordance with state law. (as added by Ord. #2016-01, March 2016)

5-610. Tax is additional tax. The tax herein levied shall be in addition to all other taxes levied or authorized to be levied whether in the form of excise, license, or privilege taxes, and shall be in addition to all other fees and taxes now levied or authorized to be levied. (as added by Ord. #2016-01, March 2016)

5-611. Limitation on levy of tax. The tax levied pursuant to the provisions of this chapter shall only apply in accordance with the provisions of Tennessee Code Annotated § 67-4-1425 and shall be levied only on the occupancy of hotels located within the boundaries of the town. (as added by Ord. #2016-01, March 2016)

5-612. Severable provisions. The provisions of this chapter are hereby declared to be severable. If any provision of this chapter or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this chapter which can be given effect without the invalid provision or application. (as added by Ord. #2016-01, March 2016)