

SENATE BILL 399

By Stevens

AN ACT to amend Tennessee Code Annotated, Title 26
and Title 30, relative to the homestead exemption.

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

SECTION 1. Tennessee Code Annotated, Section 26-2-301(a), is amended by deleting the language "five thousand dollars (\$5,000)" wherever it appears and substituting instead the language "one hundred fifty thousand dollars (\$150,000)" and by deleting the language "seven thousand five hundred dollars (\$7,500)" and substituting instead the language "two hundred fifty thousand dollars (\$250,000)".

SECTION 2. Tennessee Code Annotated, Section 26-2-301(e), is amended by deleting the subsection and substituting instead the following:

(e) Notwithstanding subsection (a) to the contrary, an unmarried individual who is sixty-two (62) years of age or older shall be entitled to a homestead exemption not exceeding three hundred seventy-five thousand dollars (\$375,000) upon real property that is owned by the individual and used by the individual as a principal place of residence; a married couple, one (1) of whom is sixty-two (62) years of age or older and the other of whom is younger than sixty-two (62) years of age, shall be entitled to a homestead exemption not exceeding six hundred thousand dollars (\$600,000) upon real property that is owned by one (1) or both of the members of the couple and used by the couple as their principal place of residence; and a married couple, both of whom are sixty-two (62) years of age or older, shall be entitled to a homestead exemption not exceeding seven hundred fifty thousand dollars (\$750,000) upon real property that is owned by one (1) or both of the members of the couple and used by the couple as their principal place of residence.

SECTION 3. Tennessee Code Annotated, Section 26-2-301(f), is amended by deleting the language "twenty-five thousand dollars (\$25,000)" and substituting instead the language "seven hundred fifty thousand dollars (\$750,000)".

SECTION 4. Tennessee Code Annotated, Section 26-2-304, is amended by deleting the language "five thousand dollars (\$5,000)" and substituting instead the language "one hundred fifty thousand dollars (\$150,000)".

SECTION 5. Tennessee Code Annotated, Section 26-2-309, is amended by deleting the language "five thousand dollars (\$5,000)" wherever it appears and substituting instead the language "one hundred fifty thousand dollars (\$150,000)".

SECTION 6. Tennessee Code Annotated, Title 26, Chapter 2, Part 3, is amended by adding the following as a new section:

Real property, up to one hundred sixty (160) acres, including any dwelling, that is considered agricultural land as defined by § 67-5-1004 and owned by the individual or married couple, is entitled to a homestead exemption up to but not exceeding seven hundred fifty thousand dollars (\$750,000) in value.

SECTION 7. Tennessee Code Annotated, Title 26, Chapter 2, Part 3, is amended by adding the following as a new section:

(a) On April 1, 2021, and at each three-year interval ending on April 1 thereafter, the fiscal review committee shall report to the chairs of the judiciary committees of the senate and the house of representatives, the amount by which the dollar amounts of exemptions provided in § 26-2-301, and by reference in § 26-2-309 and § 30-2-209, in effect immediately before that date may be increased as provided in subdivision (b).

Those increases shall not take effect unless they are approved by the general assembly.

(b) The fiscal review committee shall determine the amount of the adjustment based on the change in the average consumer price index, all cities average, published by the United States department of labor, bureau of labor statistics, for the most recent

three-year period ending on December 31 preceding the adjustment, with each adjusted amount rounded to the nearest twenty-five dollars (\$25.00).

SECTION 8. Tennessee Code Annotated, Section 30-2-209, is amended by deleting the language "five thousand dollars (\$5,000)" wherever it appears and substituting instead the language "one hundred fifty thousand dollars (\$150,000)".

SECTION 9. This act shall take effect July 1, 2019, the public welfare requiring it.