

SENATE BILL 708

By Stevens

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 53; Title 48; Title 64 and Section 67-5-502, relative to property tax.

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

SECTION 1. Tennessee Code Annotated, Section 67-5-502(d), is amended by deleting the period (.) at the end of the subsection and adding the following language:

; provided, that all interests in real property, including a leasehold interest, with respect to which there is a lawful agreement between the lessee and a governmental entity, including, but not limited to, an industrial development board, regional megasite authority, housing authority, or a health, educational and housing facilities board, shall be assessed to the governmental entity that is the owner of the fee interest in the property, and shall be subject to the exemptions provided in § 7-53-305, § 64-6-107, § 48-101-312, § 67-5-203 or § 67-5-205 so long as the agreement provides that following any period of abatement of all or a portion of the ad valorem taxes, the lessee shall make payments in lieu of taxes for the remainder of the term of the lease in an amount equal to the ad valorem taxes that, but for ownership of a project by such a governmental entity, would have been due and payable pursuant to §§ 67-5-102 and 67-5-103.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.