

SENATE BILL 1717

By Massey

AN ACT to amend Tennessee Code Annotated, Title 67,
relative to tax relief for disability accessibility
improvements.

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

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by
adding the following as a new section:

(a) For purposes of this section:

(1) "Disability":

(A) Means a medically diagnosed impairment that substantially
limits one (1) or more of a person's major life activities; and

(B) Does not include current, illegal use of, or addiction to, a
controlled substance or controlled substance analogue;

(2) "Eligible claimant" means any natural person who is a homeowner
and who has:

(A) A disability;

(B) An immediate family member with a disability; or

(C) An individual with a disability permanently residing with the
homeowner;

(3) "Eligible purchase" means the purchase of appliances, fixtures, and
materials used to improve the disability accessibility of the claimant's principal
residence in one (1) or more of the following ways:

(A) Constructing entrance or exit ramps;

(B) Widening exterior or interior doorways;

- (C) Widening hallways;
- (D) Installing handrails or grab bars;
- (E) Moving electrical outlets and switches;
- (F) Installing stairway lifts;
- (G) Installing or modifying fire alarms, smoke detectors, alert systems, or smart home devices;
- (H) Modifying door hardware;
- (I) Modifying bathrooms; or
- (J) Modifying bedrooms;

(4) "Immediate family member" means a spouse, child, sibling, parent, grandparent, or grandchild, and includes stepparents, stepchildren, stepsiblings, and adoptive relationships; and

(5) "Major life activities" means caring for oneself and performing manual tasks, including writing, walking, seeing, hearing, speaking, and breathing.

(b)

(1) An eligible claimant is entitled to a refund equal to the total amount of Tennessee state and local sales and use tax paid by the claimant for eligible purchases made during the most recent calendar year.

(2) The total amount refunded under this section shall not exceed two thousand five hundred dollars (\$2,500) for eligible purchases and improvements made in a calendar year.

(c)

(1) To receive a refund under this section, a claimant may file only one (1) claim for refund with the department per calendar year, and the claimant must file the claim for refund within one (1) year from December 31 of the year in which the eligible purchases were made.

(2) The claimant must also certify on the claim for refund form that purchases for which the refund is claimed were used to improve the disability accessibility of the claimant's principal residence. All claims for refund must include satisfactory proof of the claimant's eligibility and that each claimed eligible purchase was used to improve the disability accessibility of the claimant's principal residence.

(3) Notwithstanding § 67-1-1802, the department shall issue the refund directly to the claimant.

(4) The claimant shall keep and preserve suitable records of the purchases for which a refund is claimed pursuant to this section, including, but not limited to, store receipts and copies of payment documents such as checks, credit card receipts, or a sworn statement under penalty of perjury to support any purchases made using cash. The records must be kept and preserved for a period of three (3) years from December 31 of the year in which the claim for refund was filed. The records must be open to the inspection of the commissioner, or the duly authorized delegates of the commissioner, at all reasonable hours.

(5) The commissioner of revenue has the authority to conduct audits or require the filing of additional information necessary to substantiate the amount of any refund due to the claimant.

(d) The department may assess a civil penalty not to exceed twenty-five thousand dollars (\$25,000) against any person who knowingly files a false or fraudulent application for refund under this section. Any claimant who is assessed a penalty under this subsection (d) is entitled to the remedies provided in § 67-1-1801.

(e) All refunds under this section must be paid from the state's general fund, and nothing in this section shall be construed to reduce the amount of sales and use tax payable to local governments.

SECTION 2. For purposes of promulgating rules and forms, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect January 1, 2021, the public welfare requiring it, and shall apply to eligible purchases and improvements made on or after January 1, 2020.