

"(j) Taxpayers who have not received a reimbursement pursuant to this section for tax year 2014 and who apply to receive a reimbursement for tax year 2015 or a tax year thereafter, shall submit proof and documentation of the taxpayer's annual income as defined in subdivision

(a)(2)(A) in order to qualify for the reimbursement provided by this section."

Effective Dates.

Acts 2015, ch. 481, § 8, May 18, 2015.

Acts 2016, ch. 1065, § 5, May 20, 2016.

67-5-705. Property Tax Freeze Act.

(a) This section shall be known and may be cited as the "Property Tax Freeze Act."

(b) The purpose of this section is to provide for uniform and orderly administration of the property tax freeze program for eligible taxpayers in those jurisdictions adopting it. This section is not intended to displace other forms of property tax relief available at the time of its passage except as expressly provided in this section.

(c) As used in this section, unless the context otherwise requires:

(1) "Base tax" means the property tax due on the principal residence of a qualifying taxpayer at the time the jurisdiction levying the tax adopts a resolution or ordinance approving the property tax freeze under this section. If the taxpayer did not qualify or did not own an eligible residence when the freeze was adopted, "base tax" means the maximum property tax due on the taxpayer's eligible residence for the year in which the taxpayer became eligible on the basis of an approved application. If a taxpayer reapplies after acquiring a new residence or after a period of ineligibility, the base tax shall be recalculated for the year of reapplication and reestablishment of eligibility;

(2) "Collecting official" means the county trustee or, in the case of taxes due a municipality, the county trustee or other official responsible for collection of property taxes;

(3) "Improvement" means any change to a dwelling or dwelling lot that would properly warrant a change by the assessor in the assessed value of the property for the year or portion of the year in which the improvement is made; and

(4) "Principal residence" means the dwelling owned by the taxpayer and eligible as the taxpayer's legal residence for voting purposes. Program rules shall establish the maximum size limits for land that may qualify as a taxpayer's principal residence. The rules shall take into consideration lot size requirements under applicable zoning, as well as property actually used to support residential structures; provided, however, that the size limit shall not exceed five (5) acres. The tax freeze granted by this section shall only apply to the residence and no more than the maximum limit for land established by the rules.

(d) The legislative body of any county or municipality may by resolution or ordinance adopt the property tax freeze program provided in this section. The county or municipality may thereafter terminate the freeze program by resolution or ordinance; provided, however, that the resolution or ordinance terminating the program shall not have the effect of terminating the program until the following tax year.

property. The collecting official shall determine whether requirements for eligibility have been met, and the collecting official's determination shall be final, subject to audit and recovery of taxes, including penalty and interest, at the rates otherwise provided for delinquent taxes under § 67-5-2010, if the applicant is later determined to have not been eligible. Any taxpayer who knowingly provides false information concerning the taxpayer's income or other information relative to eligibility for the program, commits a Class C misdemeanor.

(2) If the collecting official approves the application, property taxes due on the applicant's principal residence shall be the lesser of:

(A) The actual tax due; or

(B) The base tax; provided, that the base tax shall be adjusted to reflect any percentage increase in the value of the property determined by the assessor to be attributed to improvements made or discovered after the time the base tax was established. The base tax shall be recalculated any year in which the actual tax due is less than the previously established base tax for the property, and the recalculated base tax shall not be until further recalculated pursuant to this part.

(f)(1) To qualify for the property tax freeze, the applicant shall be sixty-five (65) years of age by the end of the year in which the application is filed. The applicant shall further own and use the property as the applicant's principal residence for which the freeze is sought in the year of application, reapplication and through the deadline date for application or reapplication.

(2) In addition to the qualifications stated in subdivision (f)(1), the applicant's income, combined with the income of any other owners of the property, the income of applicant's spouse and the income of any owner of a remainder or reversion in the property if the property constituted the person's legal residence at any time during the year, may not exceed the limit stated in subdivision (f)(3). Income for purposes of qualification means income from all sources as defined by program rules.

(3) The income limit for the property tax freeze program shall be the greater of the weighted average of the median household income for the groups sixty-five (65) years of age to seventy-four (74) years of age, seventy-five (75) years of age or over who resided within the county determined in the most recent federal decennial census, or the applicable state tax relief income limit established under § 67-5-702. This limit shall be adjusted by the comptroller of the treasury to reflect the cost of living adjustment for social security recipients as determined by the social security administration and shall be rounded to the nearest ten dollars (\$10.00). The adjusted weighted average median household income level for each county shall be published annually by the comptroller of the treasury.

(g)(1) The comptroller of the treasury is authorized to perform verification or other related services or assistance at the request of a county or municipality, if the county or municipality agrees to pay fees sufficient to reimburse the actual costs to the comptroller of the treasury in providing such services or assistance, unless or to the extent not appropriated by the general assembly.

(2) Financial records filed for purposes of income verification shall be confidential and shall not be subject to inspection under the Tennessee public records law, compiled in title 10, chapter 7, but shall be available to local or state officials who administer, enforce, or audit the tax freeze program or requirements imposed under this section.

(h) The property tax freeze program shall conform to any uniform definitions, application forms and requirements, income verification procedures and other necessary or desirable rules, regulations, policies and procedures not in conflict with this section, as may be adopted by the state board of equalization through the division of property assessments.

History.

Acts 1979, ch. 407, §§ 1, 2; T.C.A., §§ 67-649, 67-674; Acts 2007, ch. 581, § 1; 2009, ch. 68, § 3; 2013, ch. 63, § 4; 2014, ch. 938, § 1.

Effective Dates.

Acts 2014, ch. 938, § 5. May 19, 2014.

Amendments.

The 2014 amendment added the second sentence to (e)(2)(B).

PART 9

CLASSIFICATION AND ASSESSMENT — TANGIBLE PERSONAL PROPERTY

67-5-902. Schedules generally.

(a) Unless otherwise provided for, those owners and lessees of taxable tangible personal property who are required by rules and regulations of the state board of equalization to report to the assessor shall report on such schedule as the state board of equalization may require. The schedule adopted by the board shall provide that a value different from standard depreciated cost may be used where such value more closely approximates fair market value, and the assessor may request supportive information in such instances from the taxpayer.

(b) If a taxpayer would be liable for additional tax due to back assessment of property omitted from a reporting schedule, or due to reassessment of property included in the schedule, the taxpayer may offset this liability by showing that other property listed on the schedule was over reported, or by providing information that the reassessed property or other property listed on the schedule should be valued using a nonstandard method that more closely approximates fair market value.

(c) With approval of the director of property assessments, the assessor may require electronic filing for tangible personal property schedules and for any year in which electronic filing is required in the county, the filing deadline is extended to April 15, and tangible personal property assessments may be appealed directly to the state board of equalization until forty-five (45) days after the assessment change notice is sent.