



City of Crossville

392 North Main Street
Crossville, Tennessee 38555

Legislation Text

File #: 16-0195, **Version:** 1

Discussion on wholesale liquor inspection fee

SUMMARY:

Councilmember Jesse Kerley will be discussing the wholesale liquor inspection fees.

§ 8-306 of the Crossville Municipal Code imposes “an inspection fee in the maximum amount allowed by T.C.A. § 57-3-501”. This amount shall not exceed 8% for municipalities located in counties of the state having a population of less than 60,000, according to the latest federal census. Cumberland County’s population in 2010 was 56,053. For counties with a population of 60,000 or more, the fee is capped at 5%.

There have been questions about lowering the fee to 5%.

2014-15

Wholesale sales	\$5,709,071.98
8% Inspection fee	\$ 456,725.76
wholesaler fee (5%)	<u>- 22,836.28</u>
Net to City	\$ 433,889.48
5% Inspection fee	\$ 285,453.60
Wholesaler fee (5%)	<u>- 14,272.68</u>
Net to City	\$ 271,180.92
Loss to City	-\$ 162,708.56

To re-coup the loss revenues of \$162,708.56 at 5% would require an increase of approximately \$3,300,000 in wholesale sales for the year.

BUDGET ACCOUNT:

NECESSARY COUNCIL ACTION: