

**PUBLIC CHAPTER NO. 1036****SENATE BILL NO. 3687**

**By Henry, McNally, Harper, Haynes, Johnson, Herron, Finney, Barnes, Gresham, Jackson, Norris, Ketron, Tracy, Ford, Kelsey, Kyle, Marrero, Tate, Black, Berke, Bunch, Burchett, Burks, Crowe, Faulk, Overbey, Southerland, Stewart, Watson, Woodson, Yager, Mr. Speaker Ramsey**

Substituted for: House Bill No. 3606

By Fitzhugh, Pitts, Shepard, Tidwell, McDonald, Coleman, Odom, Eldridge, Naifeh, Maddox, Sontany, Montgomery, Shaw, Winningham, Mike Turner, Harry Brooks, Maggart, Williams, Miller, Harrison, Fraley, McManus, Sherry Jones, Hardaway, Moore

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 1 and Title 67, Chapter 5, relative to property taxation.

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

SECTION 1. Tennessee Code Annotated, Section 67-5-1301(c), is amended by deleting the subsection in its entirety and by substituting instead the following:

Provisions generally applicable to post-certification revision of local assessments shall also apply to public utility property, including, without limitation, back assessment or reassessment under Chapter 1, Part 10 of this title, correction of assessment errors under § 67-5-509, proration of assessments under § 67-5-603, and relief from forced assessments and amendment of taxpayer filed schedules under § 67-5-903. Provisions for confidentiality of taxpayer information under § 67-5-402 shall likewise be applicable to information provided by public utility taxpayers. For purposes of applying these provisions to public utility property, the comptroller of the treasury shall act as assessing authority, and the actions of the comptroller shall be subject to review directly by the state board of equalization.

SECTION 2. Tennessee Code Annotated, Section 67-5-212, is amended by adding the following language at the end of subdivision (b)(3)(B):

The purpose of this subdivision is to provide continuity of exempt status for property transferred from one exempt religious institution to another in the specified circumstances. For purposes of this subdivision, property transferred by a lender following foreclosure shall be deemed to have been transferred by the foreclosed debtor, whether or not the property was assessed in the name of the lender during the lender's possession.

SECTION 3. Tennessee Code Annotated, Section 67-5-603, is amended by adding the following new subsection (d):

(d) In the case of damage resulting from a disaster certified by the Federal Emergency Management Agency (FEMA), the annual assessment of an affected building or improvement in a county included in the FEMA declaration shall be prorated as otherwise provided in subsection (a), for the actual time the building or improvement is destroyed and not replaced, or the actual time the building or improvement is substantially damaged, notwithstanding the building or improvement is restored or replaced by September 1, provided the total time the building or improvement is destroyed or damaged and not replaced or restored, exceeds thirty (30) days. The owner must apply for this relief to the assessor by September 1 using a form approved by the director of the state division of property assessments. This subdivision shall be effective retroactively to January 1, 2010, but shall not take effect as to any particular county or municipality unless approved by two-thirds (2/3) vote of its governing body. This subdivision shall expire on December 31, 2010.

SECTION 4. If any provision of this act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions of the act which can be upheld without the invalid provision, and to that end the provisions of this act are declared to be severable.

SECTION 5. This act shall take effect on becoming law, the public welfare requiring it. This act shall apply to exemption applications filed after its effective date, and also to applications pending or under appeal before the state board of equalization, as of its effective date.

**PASSED: May 27, 2010**

  
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RON RAMSEY  
SPEAKER OF THE SENATE

  
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KENT WILLIAMS, SPEAKER  
HOUSE OF REPRESENTATIVES

**APPROVED this 11th day of June 2010**

  
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PHIL BREDESEN, GOVERNOR