

CHAPTER NO. 632
*****Corrected*****
SENATE BILL NO. 3095

By Henry

Substituted for: House Bill No. 3147

By Fowlkes

AN ACT To revise definitions and procedures for assessment of properties under the Agricultural, Forest, and Open Space Land Act of 1976, and to amend Tennessee Code Annotated, Sections 67-5-1003 through 67-5-1008.

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

SECTION 1. Tennessee Code Annotated, Section 67-5-1004, is amended by adding the words "within the same county" after the words "noncontiguous tracts" in part (B) of paragraph (1).

This section shall not apply to properties for which the agricultural classification was approved prior to the effective date of this act, until there has been a sale of the property, or change of use to a nonqualifying use.

SECTION 2. Tennessee Code Annotated, Section 67-5-1008, is further amended by adding the following new numbered paragraph after paragraph (d)(1) and renumbering existing paragraphs as appropriate:

When the tax rate for the most recent year of rollback taxes is not yet available, the assessor shall calculate the amount of taxes saved for the most recent year by using the last made assessment and rate fixed according to law, and the trustee shall accept tender of the amount determined to be owing.

SECTION 3. Tennessee Code Annotated, Section 67-5-1008, is further amended by deleting the following sentence in subsection (d)(2):

When the assessor becomes aware that property is no longer eligible for classification under this part, the assessor shall give written notice of the rollback assessment to the property owner, the seller of land disqualified following a sale, and the tax collecting officials.

and by substituting instead the following:

When the assessor determines there is liability for rollback taxes, the assessor shall give written notice to the tax collecting official identifying the basis of the rollback taxes and the person the assessor finds to be responsible for payment, and the assessor shall provide a copy of the notice to the responsible person.

SECTION 4. Tennessee Code Annotated, Section 67-5-1008, is further amended by deleting the fifth sentence of subsection (d)(2) and substituting instead the following:

The assessor may void the rollback assessment if it is determined that the assessment was imposed in error, except there shall be no refund of rollback taxes that have been collected at the request of a buyer or seller at the time of sale.

SECTION 5. Tennessee Code Annotated, Section 67-5-1008, is further amended by adding the following sentence at the end of subsection (e)(3):

The provisions of this subsection (e)(3) shall likewise apply to the temporary transfer of property classified under this part to a trustee in bankruptcy.

SECTION 6. This act shall take effect on January 1, 2003. There shall be no rollback assessment when property is disqualified solely as a result of Sections 1 through 4 of this act, so long as the property continues to be used in a qualifying use and is not the subject of a sale or transfer which would cause the property to violate the minimum size or maximum acreage provisions of this part. Such disqualified property shall be at risk of a rollback assessment until it has been assessed at market value under Part 6 of this chapter for three (3) years, and during such time a rollback assessment shall be made if the property ceases to be used in a qualifying use or is the subject of a sale or transfer which would cause the property to violate the minimum size or maximum acreage provisions of this part.

PASSED: April 10, 2002


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 8th day of May 2002


DON SUNDQUIST, GOVERNOR