



# TENNESSEE FRANCHISE & EXCISE TAX EXEMPTIONS

Facilities Owned by the Armed Forces

Updated November 2020

# Qualifications

- ❑ Tenn. Code Ann. § 67-4-2008 (16)(A)(B)
- ❑ Entity is owned, in whole or in part, directly by a branch of the Armed Forces of the United States
- ❑ Entity derives more than 50% of its gross income from the operation of facilities that are located on property owned or leased by the federal government and operated primarily for the benefit of members of the armed forces of the United States

# Registration & Renewal

- ❑ The application for exemption and the annual renewal are filed on form F AE 183
  - ❑ This form with the appropriate sections completed must be submitted by the 15th day of the fourth month following the close of the entity's taxable year RM2
  
- ❑ Entities requesting an extension for federal income tax are automatically granted an extension
  
- ❑ If the entity does not meet the exemption requirements in any given year, it is taxable on all activities for that year
  - ❑ A completed franchise and excise tax return (F AE170) must be filed electronically with payment of any taxes due by the 15<sup>th</sup> day of the fourth month following the close of the taxable year

### Slide 3

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**RM2**

Suggestion: remove strikethroughs

Robyn Meeks, 11/13/2020

# Resources

- ❑ Application for Exemption/Annual Exemption Renewal
- ❑ Franchise and Excise Tax Return, Form 170
- ❑ Tenn. Code Ann. 67-4-2008 (16)



**THANK YOU**