

LOCAL SALES TAX RATE CHANGE – HAMBLLEN COUNTY

Notice #09-08

Sales and Use Tax

May 2009



Highlights

- *Effective July 1, 2009, the local sales tax rate changes in Hamblen County*
- *New rate is 2.75%*
- *Single article tax rate*

INTRODUCTION

This notice is intended to provide taxpayers and the general public with information concerning a recent change in the local sales and use tax rate in Hamblen County, Tennessee.

Effective July 1, 2009, the governing body of Hamblen County, Tennessee has increased the local sales tax rate to 2.75% by means of a referendum approved by a majority of the voters. The new rate will apply to all taxable sales of tangible personal property and taxable services made on or after July 1, 2009, by sellers located in all areas of Hamblen County, Tennessee, including the City of White Pine.

The local tax rate in the City of Morristown was previously increased to 2.75% and will remain unchanged.

The corresponding local consumer use tax rate for persons in Hamblen County also increases to 2.75%

DISCUSSION

In Hamblen County and the City of White Pine, the local option tax rate is applicable to the first \$300 of the sale price of any single article of tangible personal property sold, unless that item is specifically exempted from local tax or taxed at another rate by statute. The local tax cap on sales of single articles of tangible personal property will be \$8.25. The local rate is also applicable to the total sales price of any taxable service.

In the City of Morristown only, the local option tax rate is applicable to the first \$1,600 of the sales price of any single article of tangible personal property sold, unless the item is specifically exempted from local tax or taxed at another rate by statute. The local tax cap on sales of single articles of tangible personal property is \$44. The local rate is also applicable to the total sales price of any taxable services.

In addition, there is a state single article tax rate of 2.75% applicable to the sales price, from \$1,600.01 up to and including \$3,200, of any item of tangible personal property.

The information provided here is current as of the date of publication but may change as a result of new statutes, regulations, or court decisions. While this notice is intended to be comprehensive, events and situations unanticipated by this notice may occur. In such cases you should contact the department or your tax professional for further guidance.

**References:**

T.C.A. § 67-6-702