



**TENNESSEE DEPARTMENT OF REVENUE**  
**Application for Qualified Data center**  
**Sales and Use Tax Exemption**

1. Business Name \_\_\_\_\_ FEIN or SSN \_\_\_\_\_
2. Mailing Address \_\_\_\_\_  
Street City State ZIP Code
3. Sales Tax Account No. \_\_\_\_\_ Location Identifier \_\_\_\_\_
4. Location of Data Center \_\_\_\_\_  
Street City County
5. Business Contact \_\_\_\_\_  
Name Phone Number Email Address
6. Investment time period (cannot exceed three years) From \_\_\_\_\_ to \_\_\_\_\_  
Month/Day/Year Month/Day/Year
7. Amount of investment in real property, tangible property, and/or software: \_\_\_\_\_
8. Number of new full-time jobs created: \_\_\_\_\_
9. Attach a description of the proposed required capital investment and the new full-time permanent jobs created during the investment period.

**Affidavit of Applicant**

Under penalties of perjury, I declare that to the best of my knowledge this information is true and correct. I understand that any authority given as a result of this application will be limited to the purchases of computers, computer networks, computer software, and computer hardware; any repair parts and labor applied to such items; any warranty and services contracts or computer software maintenance contracts on such items; backup power infrastructure; cooling equipment; and electricity. The information contained in this application is subject to audit by the Department of Revenue and may result in the assessment of additional taxes, penalties, and interest if the statutory requirements for the sales and use tax exemption are not met.

Print Name \_\_\_\_\_ Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

**Please mail application to:**  
Tennessee Department of Revenue  
Taxpayer Services Division  
500 Deaderick Street  
Nashville, TN 37242

Tennessee law provides an exemption for the purchases of computers, computer networks, computer software, or computer systems, and any peripheral devices, including, but not limited to, hardware such as printers, plotters, external disc drives, modems, and telephone units, that are used in the operation of a qualified data center and any repair parts, repair or installation services, warranty or service contracts, and computer software maintenance contracts purchased for such items used in the operation of a qualified data center. Additionally, Tenn. Code Ann. § 67-6-206(c) provides an exemption for backup power infrastructure and cooling equipment used primarily for and necessary to the operation of the qualified data center, as defined by the statute, and provides a 1.5% reduced sales tax rate for the purchase of electricity used by a qualified data center.

In order to qualify for the exemptions, the data center must, over a three-year period:

- a. Make a capital investment of more than \$100,000,000 in real or tangible property or software, owned or leased in the state, that is used in the operation of the data center; and
- b. Create at least 15 net new full-time (at least 37 ½ hours per week) permanent jobs (for a least 12 consecutive months) paying at least 150% of the state average occupational wage with minimal health care.

The taxpayer should mail the completed application to the Department of Revenue at the given address. If the application is approved, the Department will issue the taxpayer a certificate it may use to make sales tax exempt purchases of the qualified items and purchases of electricity at the 1.5% reduced rate used by the qualified data center.

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**Instructions:**

- 1) - 5) Business information.
- 6) The investment period must be no longer than three years. However, the commissioner of economic and community development may extend it up to four years for good cause shown.
- 7) To qualify for the exemption, the investment amount must be over \$100,000,000. The investment will be deemed to have been made as of the date of payment or the date the taxpayer enters into a legally binding commitment or contract for purchase or construction.
- 8) To qualify for the exemption, the taxpayer must create at least 15 new full-time permanent jobs.
- 9) Provide a description of the increase in the business investment in real property, tangible property, and software used in the operation of the data center and of the new full-time permanent jobs created during the investment period.