

Instructions: Severance Tax Return on Sand, Gravel, Sandstone, Chert, and Limestone

Each county in Tennessee, by resolution, is authorized to levy a tax on the severance of sand, limestone, sandstone, gravel, lime, and chert from the earth. However, there are some exceptions, including any lime or limestone used for any of the purposes listed under Tenn. Code Ann. § 67-7-202(a), minerals sold for use outside the State of Tennessee, and minerals used for fill by the contractor. Exempt sales do not need to be included in this return; however, records must be maintained to support the exemption.

The tax is levied on the entire production in the county, regardless of whether the sale or delivery of the product occurs in another county. The owner is liable for the tax at the time the mineral products are severed from the earth and ready for sale, regardless of whether the sale is before or after processing.

The tax rate is determined by the taxing county, but may not be more than 15 cents per ton. See the following page for a chart of the current tax rates by county. The return along with the appropriate tax payment is due monthly on or before the 15th day of the month following the period covered. Taxpayers must file a return for each county in which they sever sand, gravel, sandstone, chert, and/or limestone from the ground. Taxpayers should file and make their tax payments online by visiting the Department's website at www.tn.gov/revenue. Alternatively, they may mail returns and payments to the address listed on the return.

You must sign and date your return. Paid preparers (accountants, attorneys, etc.) must also sign the return. If this is an amended return, please indicate the "Filing Period" and check the amended return box on the top of the return.

Return

- Line 1: Enter the total tons of sand severed from the ground during the filing period.
- Line 2: Enter the total tons of limestone severed from the ground during the filing period.
- Line 3: Enter the total tons of sandstone severed from the ground during the filing period.
- Line 4: Enter the total tons of gravel severed from the ground during the filing period.
- Line 5: Enter the total tons of lime severed from the ground during the filing period.
- Line 6: Enter the total tons of chert severed from the ground during the filing period.
- Line 7: Add Lines 1-6 for the total tonnage.
- Line 8: Multiply Line 7 by the applicable county tax rate (see chart on the following page).
- Line 9: If your account has a credit balance from an overpayment on a prior return, enter the amount on this line.
- Line 10: Penalty is calculated at a rate of 5% for each 30-day period, or portion thereof, that a return is delinquent, up to a maximum of 25% of the delinquent amount. The minimum penalty is \$15 for the delinquent filing of a return. If your return is delinquent, apply the appropriate penalty rate to the total tax due from Line 8.
- Line 11: Interest is due on any amount of tax that is paid after the statutory due date of the return. The interest rate is determined in accordance with Tenn. Code Ann. § 67-1-801. The current interest rate can be found at www.tn.gov/revenue by clicking the Tax Resources tab. If the payment is late, apply the interest rate to the total tax due from Line 8.
- Line 12: Add Lines 8, 10, and 11, and subtract Line 9.

| County | Mineral Severance Tax Rate |
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| Anderson, Bedford, Bledsoe, Blount, Campbell, Carroll, Carter, Cheatham, Claiborne, Clay, Cocke, Coffee, Cumberland, Davidson, Decatur, DeKalb, Dickson, Fayette, Fentress, Franklin, Giles, Greene, Hamblen, Hardin, Hawkins, Haywood, Hickman, Jackson, Johnson, Lawrence, Lincoln, Loudon, Madison, Marion, Marshall, Maury, McMinn, McNairy, Meigs, Monroe, Montgomery, Moore, Obion, Overton, Putnam, Rhea, Roane, Robertson, Rutherford, Shelby, Smith, Sullivan, Sumner, Trousdale, Unicoi, Union, Van Buren, Warren, Wayne, Weakley, White, Williamson, Wilson | \$0.15 |
| Benton, Cannon, Perry | \$0.10 |
| Grainger | \$0.14 |
| Humphreys | \$0.05 |
| Bradley, Chester, Crockett, Dyer, Gibson, Grundy, Hamilton, Hancock, Hardeman, Henderson, Henry, Houston, Jefferson, Knox, Lake, Lauderdale, Lewis, Macon, Morgan, Pickett, Polk, Scott, Sequatchie, Sevier, Stewart, Tipton, Washington | N/A |