



# Hall Income Tax Notice

Notice #16-05

July 2016

## Phasing Out of Tax

### **The Hall Income Tax Rate Is Reduced to Five Percent**

The Tennessee General Assembly recently passed legislation (Public Chapter 1064 (2016)) that reduces the Hall income tax rate from six to five percent for tax years beginning January 1, 2016, and after.

### **Action Must Be Taken To Reduce the Rate over the Next Five Years**

This new law requires full repeal of the Hall income tax for tax years beginning January 1, 2022. It expresses legislative intent that the tax be statutorily reduced by one percent annually, though

this will require new legislation each year. If no action is taken, the rate will remain at five percent until January 1, 2022.

### **For More Information**

Visit [www.tn.gov/revenue](http://www.tn.gov/revenue). Click on Revenue Help to search for answers or to submit an information request to one of our agents.

### **References**

Tenn. Code Ann. § 67-2-102, Tenn. Code Ann. § 67-2-119, Tenn. Code Ann. § 67-2-124