

State Tax Sharing with Cities: Premier Type Tourist Resort Cities as Models

Staff Report



Tennessee Advisory Commission
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Premier Type Tourist Resort
Cities as Models



TACIR Staff Report

Contributors to this Report

Harry Green, Ph.D.
Executive Director

Rose Naccarato, M.A., M.P.P.
Senior Research Associate

Daniel Merchant, M.S.
Senior Research Associate

Stan Chervin, Ph.D.
Public Finance Consultant

Cliff Lippard, M.P.A.
Director of Fiscal Affairs

Teresa Gibson
Publications Associate

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Executive Summary

This report examines Premier Type Tourist Resort Cities (“resort cities”) and the special tax-sharing advantages such cities receive. One of the inequities of the distribution of state-shared taxes that was listed as “most apparent” in the January 2004 TACIR report on state-shared taxes concerned these resort cities:

By statutory definition, there are only two cities that receive these [extraordinary sales tax] payments: Gatlinburg and Pigeon Forge. With these extraordinary payments and high local sales tax collections, these cities (and Sevier County government) can maintain very low comparative property tax rates, a near average local sales tax rate, and relatively low hotel/motel tax rates.¹

The purpose of this report is to provide all relevant information on the unique elements of state tax sharing with resort cities, examine the economies of those cities, and evaluate the equity of the special resort city distributions. Impacting this discussion is the fact that Tennessee’s tourist cities have also been allowed to levy local taxes that are denied to other cities; including an amusement tax, local gross receipts tax, and, in Gatlinburg’s case, a food and beverage tax. These taxes allow Gatlinburg and Pigeon Forge to shift a substantial part of their local tax revenue burden to tourists.

There is general agreement that the advantages that come with being resort cities have helped Gatlinburg and Pigeon Forge to develop successful, profitable tourism industries that benefit both residents of those cities and the state as a whole by generating tax revenues from non-residents. This report does not attempt to judge the merit of state investment in tourism, nor does it debate the pros and cons of sending money directly to cities as a means of making such investments. This report examines the equity of distributing additional state-shared taxes to just two cities by exploring both those cities’ need for additional funds as well as

Only Gatlinburg and Pigeon Forge meet the statutory definition of Premier Type Tourist Resort Cities.

Tennessee’s tourist cities have been allowed to levy local taxes that are not available to other cities; including an amusement tax, local gross receipts tax, and, in Gatlinburg’s case, a food and beverage tax.

¹ TACIR. *State Tax Sharing, Fairness, and Local Government Finance in Tennessee*, January 2004, p. xviii.

In Fiscal Year 2003, Tennessee distributed \$754 million in state-shared taxes to its local governments; \$465 million went to cities, and \$289 million was distributed to counties.

the likelihood that other cities could develop thriving tourism industries with the same sort of assistance. Given that these funds have been an effective means of increasing tourism and, thus, state tax dollars, a program that can benefit more cities has the potential to be equally successful on a larger scale.

This report is an outgrowth of a broader analysis of state tax sharing in Tennessee. The project was initiated in response to a request from the Speaker of the House of Representatives to examine fairness in state-shared taxes. The first phase of the study culminated in the Tennessee Advisory Commission on Intergovernmental Relations (“TACIR”) January 2004 report, *State Tax Sharing, Fairness, and Local Government Finance in Tennessee*. At the January 2004 meeting, TACIR Commissioners reviewed and discussed the report and decided on a course of action for the additional study. One such action was to further explore areas identified in the report as apparent inequities. At the June 2004 meeting, Commissioners asked that the report include a discussion of Gatlinburg and Pigeon Forge as models for other cities. A state system that provides resort city benefits to more cities could help those cities develop thriving tourism industries of their own.

In Fiscal Year 2003, Tennessee distributed \$754 million² in state-shared taxes to its local governments; \$465 million went to cities, and \$289 million was distributed to counties. Various methods are used to determine the amounts that go to each local government. Some distributions are based on “situs”; they go to the locality where the tax was collected. Other distributions (involving only counties) are based partly on equal shares. Half of the gasoline tax distribution to counties, for example, is distributed such that every county receives the same amount. Some distributions are made on a population basis. Still others are based on land area. A majority of the taxes shared with cities are distributed on a population basis.

In most cases, the distribution formulae have been in place for decades, usually since the inception of the tax. During that time,

² This total includes the Wholesale Beer Tax, which equaled \$101.5 million in FY 2003.

changes have occurred to the distribution of population across the state and to the structure of Tennessee's economy. Once dependent on a largely agrarian economy, Tennessee now has more people employed in manufacturing than in any other industry. The needs of cities and counties, as well as their ability to raise their own funds, are affected by such issues. While tax distribution formulae have not yet been updated to reflect any of these changes, the Tennessee economy is moving onto its next phase, with manufacturing employment declining while service industry employment increases. These kinds of changes over time necessitate a review of shared tax distribution methods to determine if they are reasonable and appropriate for Tennessee in the 21st century.

Changes in the state's economy and population distribution over time necessitate a review of shared tax distribution methods to determine if they remain reasonable, appropriate, and equitable.

Summary of Conclusions

- Only Gatlinburg and Pigeon Forge qualify as resort cities by statute;
- The Municipal Sports Authority and Tourist Development Zone special sales tax programs have a clear and direct link to municipal investment and are available to all cities, unlike the resort city sales tax program.

Gatlinburg:

- In 2003, Gatlinburg received \$1.9 million (918%) more in shared sales tax distributions than it would if treated like other cities. The per capita shared tax distribution to Gatlinburg was \$848, the highest among all cities;
- In 2003, Gatlinburg received \$145,000 (153%) more in shared gasoline and motor fuel tax distributions than it would if treated like other cities;
- Gatlinburg has the 3rd highest city per capita local option sales tax base;
- Gatlinburg has the 2nd lowest combined (city and county) property tax rate among cities that levy a property tax. It is 4th lowest when cities without a separate property tax are included. Gatlinburg has substantially higher per capita assessed property values than other cities of comparable population;
- Gatlinburg ranks 2nd highest among cities in per capita gross receipts tax revenues in the state. Gatlinburg, like most cities and counties, imposes the maximum rates;
- Gatlinburg levies a lower than average hotel/motel tax (3%, with an average among cities with the tax of 4.24%);
- Gatlinburg has been granted special authority to levy additional taxes, including a local gross receipts tax, an amusement tax, and a restaurant (prepared food and beverage) tax that added a combined \$6,498,788 in

FY 2003 local revenues. Other cities have petitioned the legislature for authority to levy these taxes and have been denied. Knoxville has an amusement tax that predates relevant state legislation.

Pigeon Forge:

- In 2003, Pigeon Forge received \$3.2 million (1,015%) more in shared sales tax distributions than it would if treated like other cities. The per capita shared tax distribution to Pigeon Forge was \$737, compared to an average of \$118 for all cities, and was second only to Gatlinburg;
- In 2003, Pigeon Forge received \$110,000 (76%) more in shared gasoline and motor fuel tax distributions than it would if treated like other cities;
- Pigeon Forge has the 2nd highest city per capita local option sales tax base;
- Pigeon Forge has the lowest combined (city and county) property tax rates among cities that levy a property tax. They are 3rd lowest when cities without a separate property tax are included. Pigeon Forge has substantially higher per capita assessed property values than other cities of comparable population;
- Pigeon Forge ranks 3rd highest among cities in per capita gross receipts tax revenues in the state. Pigeon Forge, like most cities and counties, imposes the maximum rates;
- Pigeon Forge levies a lower than average hotel/motel tax (2.5%, with an average among cities with the tax of 4.24%);
- Pigeon Forge has been granted special authority to levy additional taxes, including a local gross receipts tax and an amusement tax that added a combined \$8,145,783 in FY 2003 local revenues. Other cities have petitioned the legislature for authority to levy these taxes and have been denied.

Sevier County:

- Though Sevier County has the highest percentage of its economy devoted to tourism, both Davidson and Shelby Counties generate more tourism dollars and tourism-related state sales tax revenue than Sevier County;
- The local option sales tax rate in Sevier County is 2.5%, with an average rate among all counties of 2.41%;
- In 2003, Sevier County had the highest per capita local sales tax base in the state;
- Sevier County has the 4th lowest county property tax rate in the state;
- Sevier County is tied for 2nd lowest effective residential property tax rate among counties that operate school systems;
- Sevier County charges the maximum allowed gross receipts (business) tax rate, as do most cities and counties in the state;
- Sevier County has the highest county per capita gross receipts tax revenue in the state;
- Sevier County levies no hotel/motel tax, though it has the 2nd highest hotel/motel tax base in the state.

Costs of Tourism:

- Gatlinburg and Pigeon Forge spend substantially more per capita on city services than do both comparable cities (by population) and all Tennessee cities on average;
- Both resort cities have high rates of property crime and average rates of violent crime;
- There are higher levels of traffic in Gatlinburg and Pigeon Forge than in lesser developed areas, but their traffic density is still less than Knoxville's and Tennessee's larger cities.

Introduction

What is a Premier Type Tourist Resort City?

T.C.A. § 67-6-103(a)(3)(B)(i) defines a premier type tourist resort city (hereafter, “resort city”) as one with a population of at least 1,100 people with at least 40% of its assessed real estate valuation in the form of hotels, motels, tourist courts accommodation, tourist shops and restaurants. The statute does not offer any insights behind the particular requirements, such as why a population of 1,100 is required, or why the cutoff for percent of real estate assessments is set at 40%. The only cities that currently qualify as resort cities are Gatlinburg and Pigeon Forge, both in Sevier County.

How Does a City Get Designated as a Resort City?

If a city’s leadership feels that it meets the resort city definition, the city can commission a study of itself and present the results to the Department of Revenue so it may be designated as such. The only cities currently recognized as resort cities were thus designated at the time of the passage of the original bills granting them special distributions, Gatlinburg in 1979, and Pigeon Forge in 1986. Both cities are located in Sevier County. There is no formal record of any applications for resort city designation over the years, though the following newspaper story suggests that Sevierville tried (though apparently failed) to achieve the designation in 1994 – 1995:

“This used to be just a little town you went through on your way to Pigeon Forge or Gatlinburg,” says Mayor Charlie Johnson, “but not any more.” Sevierville has become so heavily impacted by the tourist business of its sister cities, Gatlinburg and Pigeon Forge, and its own increasing tourist trade, that its ability to provide services is being strained. To help defray the costs of meeting the increasing demand for services, city officials are asking the General Assembly for the same

**A Premier Type
Tourist Resort City
has a population
of at least 1,100
and has at least
40% of its real
estate valuation
in tourism-related
industries.**

On a per capita basis, resort cities receive a much larger share of state-shared sales and use tax revenue and state-shared gasoline and diesel fuel tax revenue than other cities.

special tax benefits already granted to Gatlinburg and Pigeon Forge... “We desperately need roads,” [Johnson] said. “Our roads were built about 30 years ago, when the entire county population was 20,000 to 25,000. We are now approaching a (resident) population of 55,000, plus millions of visitors. Our roads are stretched to the limit.” There is also a noticeable demand for increased law enforcement and water, waste and sewer services, he said.³

Since Sevierville was seeking help from the General Assembly, it may have been asking for a change in the definition of a resort city that would include Sevierville, much as Pigeon Forge achieved in 1986.

Tennessee’s Resort Cities

Special Distribution Rules for Resort Cities and Their Financial Impact

Resort Cities receive additional state-shared sales and use tax revenues and state-shared gasoline and diesel fuel tax revenues. These special distributions provide substantial support to resort cities that other municipalities do not enjoy.

Sales and Use Tax

T.C.A. § 67-6-103 deals with the distribution of the state sales and use tax. The current state rate is 7% on most items, though sales of food for home consumption are taxed at 6%. Sales tax revenue is distributed according to the following formula:

- 1) 29.3709% to the general fund;
- 2) 65.0970% to education;

³ Balloch, Jim. “Sevierville Seeking Tax Benefits Due to Increased Tourism,” *Knoxville News-Sentinel*, December 22, 1994, p. A4.

- 3) 4.2462% to incorporated municipalities, apportioned by population, after amounts are appropriated for certain municipal projects (i.e., municipal league, sinking fund, etc.);
- 4) 0.3674% to the Department of Revenue for administration costs; and
- 5) 0.9185% is appropriated to the sinking fund account to be used by the state funding board for the payment of principal and interest becoming due on state bonds.

There are, however, a few exceptions to the standard, population-based distribution to cities:

- 1) Sales tax derived from major league sporting events (or AA and above minor league sporting events) are distributed to the municipality housing that event for 30 years after building a stadium, if that municipality has built a stadium to attract the team. This section also applies to motor sports facility revenues if a municipality floats a bond issue to construct a motor sports facility to attract motor sports events. Such distributions for NFL teams go to the general fund rather than the municipality. The NFL exception to the rebate was written in response to Nashville's deal with the state when building its NFL stadium. As reported at the time:

The \$55 million bond issue would be repaid from state sales taxes on tickets and merchandise sold at the stadium over a 20-year period. Officials said they expect a minimum of \$3 million per year in such revenues enough to cover the bond payments and perhaps twice that much. Under state law, Nashville could have claimed those state revenues for itself to finance the package, state Finance Commissioner Bob Corker said. The city, however, already has so many bonds outstanding including \$110 million for ongoing

All cities have access to special sales tax distributions related to building a stadium for a major league (or AA and above minor league) sporting team or event.

Premier Type Tourist Resort Cities may elect to receive 4.5925% of state sales taxes actually collected in the resort city instead of the population-based distribution all cities receive. This is a considerable advantage over the population-based formula.

construction of a new arena that the state's credit is desirable.⁴

2) Sales tax derived from fuels used for aviation, railways or water carriers go, as federally mandated, to the "transportation equity trust fund."

3) Certain communications services cannot be taxed by federal law.

4) Premier Type Tourist Resort Cities may elect to receive 4.5925% of state sales taxes actually collected and remitted by dealers within the boundaries of the resort cities instead of the population-based distribution.⁵

The transportation equity trust fund and communication services exceptions are federally mandated. The stadium exception is meant to assist cities that build sports facilities to attract professional sports teams or events. State sales taxes collected at such facilities are specially earmarked and not available to cities as shared tax revenue. In the case of the Titans, Nashville elected to have the state both borrow the funds and retain all state sales taxes collected from Titan-related stadium activities.

The exception with which this analysis is concerned is T.C.A. § 67-6-103(a)(3)(B)(i), which allows resort cities to choose a different distribution of state-shared sales tax revenues. The specifics of the special distribution and how it came to be were included in the Tennessee Advisory Commission on Intergovernmental Relations' (TACIR's) January 2004 state-shared taxes report⁶ as follows:

From 1947 through 1979, the distribution of state sales taxes to cities was based on a city's pro rata share of the total city population in the state. In 1979,

⁴ Humphrey, Tom. "State Sweetens Deal for Oilers, \$67 Million to Help Lure NFL Team," *Knoxville News Sentinel*, September 28, 1995, p. A1.

⁵ Since FY 2000, Gatlinburg and Pigeon Forge's distribution has been capped at the FY 2000 levels, \$2,080,560 for Gatlinburg and \$3,468,451 for Pigeon Forge.

⁶ Tennessee Advisory Commission on Intergovernmental Relations. *State Tax Sharing, Fairness, and Local Government Finance in Tennessee*. January 2004, p. 15 – 16.

the Legislature provided for an exception to this standard calculation for what was termed “premier type tourist resort” cities.⁷ The original definition of “premier type tourist resort” in 1979 applied only to the City of Gatlinburg. The nonstandard distribution allowed a “premier type tourist resort” to receive 4.5925% of the actual amount of state sales tax collected within its borders rather than a share based on its relative population. Since Gatlinburg’s population is relatively small, the nonstandard distribution calculation produced significantly more than the standard distribution based on population. The additional amount distributed to Gatlinburg (based on what it would have received from the standard distribution) was taken from the State General Fund.

The amount made available to Gatlinburg was increased again in 1984.⁸ With this change, Gatlinburg became eligible for an additional 4.5925% of state sales tax revenue collected within its city limits, for a total of 9.185%. In 1986, Pigeon Forge was added to Gatlinburg and became eligible for the nonstandard distribution. Public Chapter 727 of 1986 added language to the law that allowed “premier type tourist resort” cities with “a theme park of not less than 80 acres” to be eligible for the same distribution as Gatlinburg (a distribution equal to 9.185% of state sales taxes collected within its city limits). The amounts distributed to both Gatlinburg and Pigeon Forge were increased again by Public Chapter 1025 of 1988. The additional amount to be distributed to each city was based on the dollar amount each city received during fiscal 1987 from one of the two 4.5925% shares already authorized.

The original statute allowed resort cities to receive 4.5925% of state sales tax collections within their borders. Subsequent statutes passed throughout the 1980s increased that percentage until it reached approximately 13.3% by FY 1990.

⁷ Public Chapter 364 of 1979.

⁸ Public Chapter 956 of 1984. This Act provided for a separate distribution of 4.5925% to any “premier type tourist resort” city that also owned a golf course and a ski slope. Again, Gatlinburg was the only city that fit that narrow definition.

The impact of this final additional distribution was to raise the amounts these two cities received in FY 1990 to approximately 13.3% of total state sales taxes collected within their borders. The additional amounts provided by Public Chapter 1025 of 1988 were to expire on July 1, 1991. However, the expiration of the additional amounts never took effect since the expiration date was repealed by Public Chapter 463 of 1991. As the state's fiscal position continued to deteriorate during the late 1990s, pressure mounted to limit the growing level of special distributions going to these two cities. Finally, in 2000, legislation was passed that capped the amounts to be distributed to these cities at their FY 2000 level.⁹

Tennessee Department of Revenue figures for 2003 show that the revenue bonus enjoyed by a city that is designated as a resort city is substantial. Table 1 presents the resort cities' actual shares received under the special distribution schedule described in the statutes as well as what they would have received if treated the same as other cities.

Table 1: Standard and Resort City Sales Tax Distributions for FY 2003

City	Standard Share	Resort City Share	Difference	% Difference
Gatlinburg	\$204,472	\$2,080,560	\$1,877,088	918%
Pigeon Forge	\$311,164	\$3,468,451	\$3,157,287	1015%
Total	\$515,636	\$5,549,011	\$5,034,375	976%

Data Source: Tennessee Department of Revenue

⁹ Public Chapter 983 of 2000.

Gasoline and Diesel Fuel Taxes

Tennessee’s gasoline tax is established by T.C.A. § 67-3-201 (\$0.20 per gallon of gasoline) and the diesel fuel tax by T.C.A. § 67-3-202 (\$0.17 per gallon of diesel fuel). The portion of these taxes that is distributed to cities is based on population.

Under T.C.A. § 54-4-203, however, a “premier tourist resort city” shall be considered a city with a population of ten thousand nine hundred forty-five (10,945) for purposes of distribution of funds under this section. Only Gatlinburg and Pigeon Forge qualify, and this represents a large increase in population for both, especially for Gatlinburg. The statute lists the provision under “Special Census”. Generally, a special census is allowed to determine distribution share if there is reason to believe the population has changed substantially since the last regular census.

Department of Revenue figures for FY 2003 show how much this special consideration is worth to the resort cities. Table 2 presents the resort cities’ actual shares under the special population provision described in the statute as well as what would have been their pro-rata shares of state-shared gasoline and diesel fuel taxes had they been treated the same as other cities.

Gatlinburg and Pigeon Forge receive state-shared gasoline and diesel taxes based on a population of 10,945, which is substantially higher than the actual population of either city.

Table 2: Per Capita and Resort City Gasoline and Diesel Fuels Tax Distributions, FY 2003

City	Standard Share	Resort City Share	Difference	% Difference
Gatlinburg	\$94,527	\$239,137	\$144,610	153%
Pigeon Forge	\$144,557	\$254,883	\$110,326	76%
Total	\$239,084	\$494,020	\$254,936	107%

Data Source: Tennessee Department of Revenue

Gatlinburg ranks first in per-capita state-shared tax distributions at \$848.25, while Pigeon Forge ranks second at \$736.54. The average for all Tennessee cities is \$118.47.

Total State Shared Taxes

In total state-shared taxes to cities, the average per capita amount each city receives is \$118.47, while Gatlinburg receives \$848.25 per capita and Pigeon Forge receives \$736.54 per capita. Only 11 cities receive per capita amounts greater than \$150; they are presented in Table 3. A table showing the per capita distributions of all cities is presented in Appendix I.

**Table 3: FY 2003 Per Capita State Shared Tax Distributions
Top 11 Cities**

City	Population	Per Capita State Shared Tax Distribution
Gatlinburg	3,382	\$848.25
Pigeon Forge	5,172	\$736.54
Belle Meade	2,943	\$596.76
Lookout Mountain	2000	\$381.44
Townsend	244	\$331.80
Forest Hills	4,710	\$220.91
Oak Hill	4,493	\$178.78
Walden	1,960	\$167.35
Brentwood	26,743	\$166.12
Ridgeside	389	\$154.60
Collegedale	6,514	\$152.05
Average for Cities	9,269	\$118.47

Data Source: Tax distribution figures from the Tennessee Department of Revenue and population figures from the Tennessee Department of Economic and Community Development. Economic and Community Development population figures are the official figures used to determine state-shared tax distributions.

At the same time, Gatlinburg and Pigeon Forge generate above average amounts of state sales taxes and among the highest per capita state sales taxes. Appendix II presents the state sales tax generated by each city, the per capita state sales tax generated by each city, and the “return” each city receives (the percent of the state sales tax generated within the city that the city receives in shared sales tax distributions). Table 4 presents the cities generating the top ten per capita state sales tax revenues.

Table 4: FY 2003 Per Capita State Sales Tax Generated Top 10 Cities

City	State Sales Tax Generated	7/1/2003 Population	Per Capita State Sales Tax Generated
Berry Hill	\$8,886,769	674	\$13,185.12
Pigeon Forge	\$43,111,534	5,172	\$8,335.56
Gatlinburg	\$26,439,680	3,382	\$7,817.76
Alcoa	\$51,703,241	7,734	\$6,685.19
Kimball	\$6,427,785	1,312	\$4,899.23
Sevierville	\$57,700,948	12,434	\$4,640.58
Townsend	\$1,077,578	244	\$4,416.30
Crossville	\$28,761,657	8,981	\$3,202.50
Jacksboro	\$4,934,645	1,887	\$2,615.07
Franklin	\$108,473,381	41,842	\$2,592.45
Total for all Tennessee Cities	\$3,952,275,998	3,234,795	\$1,221.80

Data Source: Tax revenue figures from the Tennessee Department of Revenue and population figures from the Tennessee Department of Economic and Community Development. Economic and Community Development population figures are the official figures used to determine state-shared tax distributions.

The Costs of Tourism

There are certain additional costs facing cities that are major tourist destinations. Increased road construction and maintenance is often required to deal with increased traffic. In addition, during “tourist season,” the city must provide basic services to far more people than the resident population alone would require. This can require expensive infrastructure improvements and increased operating and maintenance costs. Also, heavy tourism appears to attract high rates of property crime and to cause fluctuations in seasonal employment that could impact the economy and quality of life.

Additional Government Services

A comparison of the two resort cities with cities of comparable size (by population), using data from the 1997 Census of Governments, shows that Gatlinburg and Pigeon Forge spent substantially more per capita on city services than other cities with similar resident populations, and, in fact, the two cities had the highest per capita city service expenditures in the state.

Some of the costs to a city associated with tourism include:

- Increased road construction and maintenance;
- Servicing a tourist season population that is much larger than the resident population;
- Higher rates of property crime;
- Fluctuations in seasonal employment.

Table 5: Per Capita City Spending on Services for Resort Cities and Cities of Similar Size

Employment and/or per capita Spending Categories	Livingston (population 3,498)	Gatlinburg (population 3,382)	Oliver Springs (population 3,303)	Kingston (population 5,264)	Pigeon Forge (population 5,083)	Sparta (population 5,030)
Total # of City Employees	78	350	40	51	260	72
Police (# Full-Time)	\$116 (16)	\$400 (45)	\$147 (11)	\$61 (10)	\$593 (51)	\$117 (15)
Fire (# Full-Time)	\$25 (5)	\$282 (37)	\$14 (0)	\$31 (6)	\$34 (2)	\$55 (5)
Water	\$194	\$535	\$74	\$193	\$390	\$210
Sewer	\$99	\$431	\$10	\$91	\$326	\$80
Solid Waste	\$33	\$150	\$28	\$29	\$328	\$34
Streets	\$96	\$169	\$78	\$129	\$241	\$76
Parks and Rec.	\$33	\$521	\$7	\$50	\$64	\$22
Total	\$596	\$2,488	\$358	\$584	\$1,976	\$594
Total as a Percent of Average for All Tennessee Cities (\$562)	106%	443%	64%	104%	352%	106%

Data Source: 1997 Census of Governments

Sevier County ranks 12th among Tennessee counties in daily vehicle miles traveled on its roads.

Traffic Congestion

Additional costs of tourism can include more intangible quality of life issues, such as time spent in traffic. The Tennessee Department of Transportation (TDOT) keeps traffic density records for counties, though problems defining exactly what portion of traffic should be attributed to cities have kept the agency from recording that data for cities. Sevier County, which ranks 15th among counties in population in the State, ranks 12th in daily vehicle miles traveled on its roads. This would suggest a slightly higher than expected traffic density for its population, but the difference is not large. It is likely that the cities of Gatlinburg and Pigeon Forge would vary more from the average traffic density for their populations, but any huge differences should show up in the county numbers. Since Sevier County ranks only slightly higher in

traffic density than it does in population, its traffic would appear to be roughly average for its population.

The Knoxville Regional Transportation Planning Organization conducted a two-year study on East Tennessee transportation issues culminating in a 2000 report titled *Regional Transportation Alternatives Plan for East Tennessee*. The report included a study of traffic based on 1999 data from TDOT covering interstate and state highways, as well as a few major county roads. The group gave each section of the roads studied a Level of Service score ranging from “A” to “F”. “A” was the best and represented free flow conditions; “D” represented acceptable peak-hour conditions; “E” and “F” were considered problem areas, with an “F” rating representing recurring congestion. The ratings were based on traffic volume compared to traffic capacity. Table 6 shows the ratings for roads running through the Gatlinburg and Pigeon Forge areas.

Table 6: Major Roads and their Traffic Ratings in Pigeon Forge and Gatlinburg

Highway/Road	Segment	Volume	Volume to Capacity Ratio	Level of Service
Middle Creek Rd.	Hwy. 411 to Hwy. 321	16,150	0.77	E
Hwy. 441	Hwy. 411 to Hwy. 321	40,720	0.67	C
Hwy. 321	Hwy. 441 to Foothills Pkwy.	22,240	0.36	B
Hwy. 321	Foothills Pkwy. to Gatlinburg	25,810	0.63	C
Hwy. 321	Gatlinburg to Pittman Center	22,240	0.57	C

Data Source: Knoxville Regional Transportation Planning Organization, compiled from 1999 TDOT data.

Table 6 shows that only Middle Creek Road, running through Pigeon Forge, is rated as a problem area, and Highway 411 through Highway 421 to Highway 321 offers an alternative route that received an average rating. The City of Knoxville, in comparison, has 23 segments out of a total of 109 that are rated “E” and 6 that are rated “F”, with the “F” rating going to segments of Interstate 40 as it runs through the city. Other

Pigeon Forge has the highest crime rate in the state with 170 known offenses per 1,000 population. Gatlinburg is fourth with a rate of 114 known offenses per 1,000 population.

For the calendar years 1990 to 2003, Sevier County's unemployment rate averaged 14.8% in the first quarter and 3.4% in the 3rd quarter. These large rates are due to seasonality.

roads leading to these cities may have some periods of congestion, but they are not actually within the city and should have limited impact on the quality of life of city residents.

Increased Crime

There are, however, real effects in the numbers of crimes committed in these cities. According to FBI Uniform Crime Reports for 2002, Pigeon Forge had the highest crime rate in the state with 170 known offenses per 1,000 population. Gatlinburg was 4th with 114 known offenses per 1,000 population. Most of these crimes are theft-related. When only violent crimes are considered, Pigeon Forge ranks 40th with 8.3 known violent crimes per 1,000 population and Gatlinburg ranks 55th with 7 known violent crimes per 1,000 population.¹⁰

Lack of Employment Stability

The seasonal nature of the tourism industry leads to large fluctuations in employment, and a resort city with over 40% of its economy related to the tourism industry is especially prone to seasonal swings in employment rates. Quarterly unemployment rates for Sevier County have a distinct pattern. For the calendar years 1990 through 2003, the average 1st quarter unemployment rate was 14.8%, while the second quarter rate averaged 5.3%. Rates continued to drop during the vacation-heavy third quarter to an average of 3.4%, and then rose to a fourth quarter average of 6.2%.¹¹

Such fluctuations require a large seasonal workforce, such as high school and college students or even teachers who seek summer employment. Many workers who would prefer a steady paycheck, however, can end up unemployed for several months out of the year. The high rates in the off-season also drive Sevier County to a higher annual unemployment rate than the state as a whole. Over the period from 1990 to 2003,

¹⁰ FBI Uniform Crime Reports 2002. Table 8A. *Offenses Known to Law Enforcement by City Under 10,000 in Population*. Table 8. *Offenses Known to Law Enforcement by City Over 10,000 in Population*. Data available at: http://www.fbi.gov/ucr/cius_02/xl/02tbl08a.xls

¹¹ U.S. Bureau of Labor Statistics.

Sevier County’s annual unemployment rate averaged 2.4 percentage points higher than that of the state as a whole (7.5% in Sevier County, compared to 5.1% for the state), and Sevier County’s annual unemployment rate was never lower than the state’s during that time period. A profile of employment by industry in Sevier County is presented in Appendix III.

Local Taxes

Like all Tennessee cities, Gatlinburg and Pigeon Forge have a variety of local option taxes that raise revenues for city expenditures. Each is considered separately below. The total revenues from local option taxes for both cities for the last 10 years are presented in Appendix IV.

Local Option Sales Tax

Do the additional costs identified earlier justify the additional distribution of state-shared sales taxes? Pigeon Forge and Gatlinburg generate relatively high per capita local option sales tax and property tax revenues. The local sales tax base for each city and comparable cities (by population) is shown in Table 7 below for Fiscal Year 2002-2003.

Table 7: FY 2003 Local Option Sales Tax Base for Resort Cities and Comparable Cities

City	Local Option Sales Tax Base	Per Capita Local Option Sales Tax Base
Livingston (pop. 3,498)	\$65,124,129	\$18,618
Gatlinburg (pop. 3,382)	\$381,620,862	\$112,839
Oliver Springs (pop. 3,303)	\$26,040,904	\$7,884
Kingston (pop. 5,264)	\$49,515,730	\$9,407
Pigeon Forge (pop. 5,083)	\$619,684,235	\$119,815
Sparta (pop. 5,030)	\$94,798,896	\$18,847

Data Source: Tax base figures from the Tennessee Department of Revenue and population figures (used to calculate per capita base) from the Tennessee Department of Economic and Community Development. Economic and Community Development population figures are the official figures used to determine state-shared tax distributions.

If one looks at all cities, it becomes clear that the resort cities have among the highest per capita local option sales tax bases in the state. Berry Hill (in Davidson County), with a population

Gatlinburg and Pigeon Forge have among the highest city per capita local option sales tax bases in the state.

Sevier County has the highest county per capita local option sales tax base in the state.

of only 674 and a local sales tax base of \$95.3 million, has the highest per capita local option sales tax base at \$141,392.¹² Pigeon Forge is second, and Gatlinburg is third. After the top three, there is a substantial drop to number four. The ten cities with the largest per capita local option sales tax bases are shown in Table 8.

Table 8: Top Ten City Per Capita Local Option Sales Tax Bases in 2003

City	Local Option Sales Tax Base	Per Capita Local Option Sales Tax Base
Berry Hill	\$95,298,198	\$141,392
Pigeon Forge	\$619,684,235	\$119,815
Gatlinburg	\$381,620,862	\$112,839
Adamsville	\$17,285,852	\$67,632
Kimball	\$85,785,811	\$65,386
Townsend	\$15,812,806	\$64,807
Grand Junction	\$2,904,340	\$61,314
Alcoa	\$459,234,728	\$59,379
Sevierville	\$723,747,680	\$58,207
Oak Ridge	\$522,545,577	\$46,689

Data Source: Tax base figures from the Tennessee Department of Revenue and population figures (used to calculate per capita base) from the Tennessee Department of Economic and Community Development. Economic and Community Development population figures are the official figures used to determine state-shared tax distributions.

The county in which Gatlinburg and Pigeon Forge are located, Sevier County, has the highest per capita local sales tax base in the state. Table 9 shows the 11 counties with a per capita local sales tax base of over \$10,000. The per capita local sales tax base in Sevier County during fiscal year 2003 was 59% higher than that in Davidson County (\$25,252 versus only \$15,907).¹³ Sevier County's per capita local sales tax

¹²Berry Hill is nine tenths of a square mile in area and is bordered on all sides by parts of Nashville. It is a separate city as part of the Metropolitan Nashville/Davidson County consolidation agreement, though it is essentially a small business/retail district in Nashville. Gatlinburg and Pigeon Forge are both larger than 10 square miles in area. Source: city-data.com

¹³Based on fiscal year 2003 data, Tennessee Department of Revenue.

base is the highest in the state (as seen in Table 9) and helps explain why Sevier County has one of the lowest property tax rates in the state.

Table 9: Counties with 2003 Per Capita Local Option Sales Tax Base of more than \$10,000

County	Local Option Sales Tax Base	Per Capita Local Option Sales Tax Base
Sevier	\$1,880,256,505	\$25,253
Davidson	\$9,079,422,958	\$15,907
Williamson	\$1,987,222,411	\$14,517
Knox	\$5,373,350,309	\$13,802
Madison	\$1,236,509,573	\$13,244
Hamilton	\$3,576,812,223	\$11,563
Washington	\$1,231,859,881	\$11,300
Putnam	\$725,233,284	\$11,279
Coffee	\$514,285,123	\$10,409
Shelby	\$9,351,920,268	\$10,326
Hamblen	\$598,856,285	\$10,215

Data Source: Tax base figures from the Tennessee Department of Revenue and population figures (used to calculate per capita base) from the Tennessee Department of Economic and Community Development. Economic and Community Development population figures are the official figures used to determine state-shared tax distributions.

Property Tax

Sevier County has the fourth-lowest nominal county property tax rate in the state at \$1.45 per \$100 of assessed value. To get a more standard measurement to compare across cities and counties, the office of the Comptroller of the Treasury calculates and publishes a list of *weighted average effective tax rates*. These rates are determined by taking the total assessed value of all property and dividing it by the total estimated current value of all property (producing the percent of total property value that is taxed), and multiplying that times the local tax rate. This process is also performed on subclasses of property. Sevier County ties for third lowest weighted average effective tax rate among Tennessee counties that operate school systems (93 of Tennessee's 95 counties, see note 14) at 43 cents per \$100 of actual current value. A full list

Sevier County ties for third lowest weighted average effective property tax rate among Tennessee counties that operate school systems.

of counties and their weighted average effective property tax rates, ordered from lowest to highest rates, is presented in Appendix V-a.

Table 10: Four Counties with the Lowest Weighted Average Effective Property Tax Rates in 2002¹⁴

County	Rate per \$100 of Assessed Value	Rank
DeKalb	\$0.35	93
Cumberland	\$0.40	92
Sevier	\$0.43	91
Decatur	\$0.43	91
Average for TN Counties	\$0.64	

Data Source: Tennessee Comptroller of the Treasury, FY 2002

Gatlinburg and Pigeon Forge have the lowest combined county and city nominal property tax rates among all Tennessee cities with a property tax.

Tennessee has 348 municipalities,¹⁵ and 264 of these collect a municipal property tax. Of those 264, the four municipalities of Sevier County rank in the bottom seven for combined county and municipal property tax rates per \$100 of assessed value; Pigeon Forge (\$1.4741), Gatlinburg (\$1.5242), and Sevierville (\$1.7136) are the bottom three (Pittman Center is seventh from the bottom at \$2.0788). The average for all cities with the tax is \$3.3379. These cities place similarly near the lowest end when considering the effective residential tax rate, as seen in Table 11. A full list of cities and their weighted average effective property tax rates, ordered from lowest to highest rates, is presented in Appendix V-b. The data on tax rates in the two resort cities and the county in which they are located suggest that the subsidy provided by the state general fund

¹⁴ Tennessee Comptroller of the Treasury <http://comptroller.state.tn.us/pa/taxaggr2002.pdf>. Carroll and Gibson Counties have lower rates (28¢ and 21¢ respectively), but neither operates a county school system and so is not comparable.

¹⁵ In recent years, Tennessee has had as many as 351 municipalities. The Tennessee Supreme Court decision in *Huntsville, Tennessee et. al. v. Duncan I. Williams et. al.* deemed the incorporation of five of these cities, known as “tiny towns,” unconstitutional. They are in the process of unincorporating. By the end of 2003, two had been unincorporated, another was nearly dissolved, and two remained. When the process is complete, Tennessee will have 346 incorporated municipalities.

Table 11: Sevier County Municipalities, Weighted Average Effective Property Tax Rates and Rank, FY 2002¹⁶

City	Combined Rate per \$100 of Assessed Value	
	Value	Rank
Gatlinburg	\$0.51	263
Pigeon Forge	\$0.54	259
Sevierville	\$0.59	257
Pittman Center	\$0.59	257
Average for TN Municipalities with tax	\$1.00	

Data Source: Tennessee Comptroller of the Treasury, FY 2002

(which is where the extra state sales tax sharing distributions originate) partly accounts for these very low rates. At the same time, the property tax base in the two resort cities is much higher than that in cities with similar populations, as Table 12 shows, by comparing the total assessed property values of the resort cities to the cities most comparable to them in population.

The property tax base in Gatlinburg and Pigeon Forge is much higher than that in cities with similar populations.

Table 12: 2003 Total Assessed Property Values for Resort Cities and Similar (Population) Cities

City	Total Assessed Property Values	Per Capita Assessed Property Values
Livingston	\$52,709,627	\$15,069
Gatlinburg	\$445,540,242	\$131,739
Oliver Springs	\$30,683,991	\$9,290
Kingston	\$80,987,724	\$15,385
Pigeon Forge	\$453,541,764	\$119,815
Sparta	\$73,182,897	\$18,847

Data Source: Assessed property value figures from the Tennessee Comptroller of the Treasury and population figures (used to calculate per capita values) from the Tennessee Department of Economic and Community Development. Economic and Community Development population figures are the official figures used to determine state-shared tax distributions.

¹⁶ Tennessee Comptroller of the Treasury <http://170.142.31.248/PA/ListRates03.asp>.

93 of 95 counties levy the gross receipts (business) tax; 90 of them charge the maximum rate.

199 of 348 cities levy the gross receipts (business) tax; 164 of them charge the maximum rate.

Gross Receipts (Business) Tax

The gross receipts (business) tax was created under T.C.A. § 67-4-701 and is both a state and local tax that is administered by local governments and can be levied by both counties and cities for the privilege of doing business within their borders.¹⁷ It is referred to simply as the “gross receipts tax” throughout this report to distinguish it from a similar tax levied by Gatlinburg and Pigeon Forge (and discussed later in the report), which is labeled the “local gross receipts tax.” Not all counties and cities collect the tax. Of the 95 counties, 93 levy a business tax; Claiborne and Clay Counties do not. Ninety counties charge the maximum amount allowed under state law, which is a gross receipts tax charged at the levels shown in Table 13 (where different classes of merchandise are defined by statute).

Table 13: Maximum Gross Receipts Tax Rates

Retail	Wholesale
Class 1 (a,b,c) - 1/15 of 1%	Class 1 (a) – 1/60 of 1%
Class 1(d) – 1/30 of 1%	Class 1 (b,c) – 1/40 of 1%
Class 2 – 1/10 of 1%	Class 2 – 1/40 of 1%
Class 3 – 1/8 of 1%	Class 3 – 1/40 of 1%
Class 4 – 1/15 of 1%	

Data Source: Forrister, Bradford & Bill Buechler. 2003 Tennessee Tax Guide: A Comprehensive Survey of Major Tennessee State and Local Taxes. M. Lee Smith Publishers, LLC: Nashville, TN, 2003.

Of the 348 cities, 199 charge a gross receipts business tax, with all of the largest cities included in that number. One hundred sixty-four cities (including the largest cities, as well as both Pigeon Forge and Gatlinburg) impose the maximum allowed rates.¹⁸

¹⁷T.C.A. § 67-4-724 requires that 15% of the amount collected be remitted to the state. In addition, Public Chapter 856 of 2002 requires that each local government impose the tax at 150% of the local amount, with the extra 50% to be remitted to the state. The rates listed in this report are the local rates, which include the 15% remitted to the state, but which do not include the additional amount imposed by the state under Public Chapter 856.

¹⁸ Forrister, Bradford & Bill Buechler. 2003 Tennessee Tax Guide: A Comprehensive Survey of Major Tennessee State and Local Taxes. M. Lee Smith Publishers, LLC: Nashville, TN, 2003.

In fiscal year 2003, Sevier County had the highest county per capita gross receipts tax revenue in the state at \$25.57. The average was \$6.54, and only 15 counties had per capita gross receipts tax revenues in excess of \$10 in fiscal year 2003.¹⁹ The counties with the 15 highest per capita gross receipts tax revenues in 2003 are listed in Table 14. These per capita revenue amounts were estimated from the 15% of business

In FY 2003, Sevier County had the highest per capita county gross receipts (business) tax revenues in the state at \$25.57.

**Table 14: Per Capita Gross Receipts Tax Revenues, Top 15 Counties
Fiscal Year 2003**

County	Population	Department of Revenue Report of State Portion (15% of Local Revenue)	Estimated Total Local Revenue	Per Capita
Sevier	74,456	\$285,548.01	\$1,903,653.40	\$25.57
Williamson	136,889	\$382,766.75	\$2,551,778.33	\$18.64
Knox	389,327	\$799,863.62	\$5,332,424.13	\$13.70
Coffee	49,408	\$100,170.40	\$667,802.67	\$13.52
Washington	109,019	\$215,497.50	\$1,436,650.00	\$13.18
Madison	93,367	\$169,071.82	\$1,127,145.47	\$12.07
Blount	109,849	\$197,531.10	\$1,316,874.00	\$11.99
Hamblen	58,623	\$99,692.35	\$664,615.67	\$11.34
Davidson	570,785	\$962,125.85	\$6,414,172.33	\$11.24
DeKalb	17,700	\$29,781.86	\$198,545.73	\$11.22
Putnam	64,300	\$107,412.23	\$716,081.53	\$11.14
Anderson	71,627	\$116,334.45	\$775,563.00	\$10.83
Sullivan	153,051	\$246,005.40	\$1,640,036.00	\$10.72
Maury	71,600	\$112,380.24	\$749,201.60	\$10.46
Shelby	905,678	\$1,411,460.55	\$9,409,737.00	\$10.39
Total	5,724,923	\$8,006,961.34	\$53,379,742.27	\$9.32

Data Source: In FY 2003, 15% of local business tax revenue was given to the state. The Tennessee Department of Revenue provided that amount, from which total local business tax revenues were estimated. Population figures from the Tennessee Department of Economic and Community Development. Economic and Community Development population figures are the official figures used to determine state-shared tax distributions.

¹⁹ Sevier, Williamson, Knox, Coffee, Washington, Madison, Blount, Hamblen, Davidson, DeKalb, Putnam, Anderson, Sullivan, Maury and Shelby Counties had per capita gross receipts tax revenues of over \$10 in FY 2003. City and County gross receipts tax revenue data from the Tennessee Department of Revenue.

Average per capita collections for all Tennessee counties that levy the gross receipts (business tax) combined were \$9.32 in FY 2003.

tax revenue that was received by the state.²⁰ Average per capita collections for all Tennessee counties that levy the tax combined were \$9.32.

The order and magnitude of the counties' business tax collections are very similar to those reported in TACIR's 2002 *Miscellaneous Local Taxes and Fees*. In that report, TACIR used 2001-2002 data from county audit reports, private audit reports and direct communication with the counties. This report also showed Sevier County with the highest per capita local business tax revenues at \$24.47. The next highest collections in that report were in Davidson County, with per capita revenue at \$15.56.

Table 15: Per Capita Gross Receipts Tax Revenues, Top 8 Cities Fiscal Year 2003

City	Population	Department of Revenue Report of State Portion (15% of Local Revenue)		
		Estimated Total Local Revenue	Per Capita	
Berry Hill	674	\$31,674	\$211,161	\$313.30
Gatlinburg	3,382	\$69,870	\$465,801	\$137.73
Pigeon Forge	5,172	\$99,742	\$664,944	\$128.57
Alcoa	7,734	\$104,651	\$697,674	\$90.21
Kimball	1,312	\$17,662	\$117,749	\$89.75
Sevierville	12,434	\$126,032	\$840,215	\$67.57
Crossville	8,981	\$76,153	\$507,683	\$56.53
Franklin	41,842	\$320,394	\$2,135,959	\$51.05
Total	2,971,996	\$8,136,374	\$54,242,492	\$18.25

Data Source: In FY 2003, 15% of local business tax revenue was given to the state. The Tennessee Department of Revenue provided that amount, from which total local business tax revenues were estimated. Population figures from the Tennessee Department of Economic and Community Development. Economic and Community Development population figures are the official figures used to determine state-shared tax distributions.

²⁰ Though a business tax increase went into effect September 2002 that adds to state revenues from the tax, those revenues are received with a separate filing form and are not included in the amounts reported by the Department of Revenue for Fiscal Year 2003, and used to estimate local revenues in this report. Local governments have historically been required to send 15% of their business tax collections to the state, and this 15% is what is used to extrapolate local collections.

Hotel/Motel Taxes

The hotel/motel tax can be levied by cities or, in some cases, by counties. T.C.A. § 67-4-1402 authorizes cities to levy the tax at a rate of up to 5%. This statute was enacted on May 12, 1988, and T.C.A. § 67-4-1425 describes how the statute affects hotel/motel taxes levied by private act before and after that date. Those hotel/motel taxes enacted by private act before May 12, 1988 are unaffected. Hotel/motel taxes enacted after that date, whether under this statute or by private act, are subject to limitations. T.C.A. § 67-4-1425 prohibits cities from levying the hotel/motel tax if the county already has the tax. It also prohibits counties from levying them on cities within their borders that already have the tax. There are multiple exceptions to these rules, however, including different rules for combined metropolitan/county governments; exemptions for Williamson, Rutherford, Dickson and Shelby Counties; limited ability to levy the tax for “home rule” cities; a grandfather clause for cities and counties which had both levied the tax prior to May 12, 1988; and exemptions for cities with qualified projects under the Convention Center and Tourism Development Financing Act.²¹

Sixty-two counties in Tennessee levy the hotel/motel tax at rates varying from 2% to 10%. In addition, 49 cities tax hotel/motel services at rates varying from 0.25% to 8%. Proceeds from the hotel/motel tax can be used for general purposes. County rates are listed in Table 16.²²

Sixty-two counties in Tennessee levy the hotel/motel tax at rates varying from 2% to 10%. Forty-nine cities levy the tax at rates varying from .25% to 8%.

²¹ The University of Tennessee Municipal Technical Advisory Service. *2002 Municipal Handbook*, p. 36.

²² This is the best estimate available of the hotel/motel tax base. The Department of Revenue uses sales tax data to estimate the amount spent on hotels, motels and campgrounds and multiplies that times the local rate. In some cases, these estimates exaggerate the tax base as they include some accommodations that are not subject to the tax (such as campgrounds) and some expenditures that are not accommodations (such as telephone calls, room service, etc.).

Table 16: County Hotel/Motel Tax Rates, 2003

County	Tax Rate	County	Tax Rate	County	Tax Rate
Anderson	5%	Hamilton	4%	McMinn	5%
Benton	5%	Hardeman	5%	Monroe	5%
Blount	4%	Hardin	5%	Montgomery	3%
Bradley	4%	Haywood	5%	Obion	5%
Carroll	5%	Henderson	5%	Putnam	5%
Carter	5%	Henry	5%	Rhea	5%
Cheatham	10%	Hickman	5%	Roane	5%
Chester	4%	Humphreys	5%	Robertson	5%
Claiborne	3%	Jefferson	4%	Rutherford	3%
Cocke	3%	Johnson	5%	Scott	5%
Crockett	5%	Knox	5%	Sequatchie	2%
Cumberland	5%	Lake	5%	Shelby	5%
Davidson	4%	Lauderdale	5%	Sumner	5%
Decatur	5%	Lawrence	2%	Tipton	5%
DeKalb	5%	Lewis	5%	Unicoi	5%
Dickson	5%	Lincoln	5%	Van Buren	5%
Fayette	5%	Loudon	5%	Warren	5%
Franklin	2%	Madison	5%	Weakley	5%
Gibson	4%	Marion	5%	Williamson	4%
Giles	5%	Marshall	5%	Wilson	3%
Greene	3%	Maury	5%	Average	5%

Data Source: Forrister, Bradford & Bill Buechler. 2003 Tennessee Tax Guide: A Comprehensive Survey of Major Tennessee State and Local Taxes. M. Lee Smith Publishers, LLC: Nashville, TN, 2003.

Sevier County does not levy a hotel/motel tax. Gatlinburg and Pigeon Forge’s hotel/motel tax rates are below average for cities with the tax.

As shown in Table 16, Sevier County does not impose a hotel/motel tax. All of the municipalities in Sevier County do levy hotel/motel taxes. The rates for all municipalities that levy the tax are presented in Table 17.

Gatlinburg’s and Pigeon Forge’s hotel/motel tax rates (at 3% and 2.5% respectively) are below the average for cities with the tax, which is 4.24%. Over half of the cities that levy the tax do so at a rate of 5% or more.

Resort city hotel/motel tax revenues for 2003 are taken from municipal audit reports and presented in Table 18 along with the amounts that could be generated at a few different tax rate levels, including the most common rate (5%), the highest city

Table 17: City Hotel/Motel Tax Rates, 2002

City	Tax Rate	City	Tax Rate	City	Tax Rate
Adamsville	8.00%	Johnson City	5.00%	Oak Ridge	5.00%
Bartlett	5.00%	Jonesborough	5.00%	Pigeon Forge	2.50%
Bristol	5.00%	Kimball	5.00%	Pittman Center	3.00%
Brownsville	5.00%	Kingsport	5.00%	Rogersville	4.00%
Caryville	5.00%	Knoxville	3.00%	Samburg	5.00%
Collierville	5.00%	Lake City	5.00%	Selmer	5.00%
Dickson	0.25%	LaVergne	2.50%	Sevierville	2.00%
Dyersburg	5.00%	Lebanon	2.00%	Shelbyville	7.00%
Franklin	2.00%	Manchester	6.00%	Smyrna	2.50%
Gatlinburg	3.00%	McKenzie	5.00%	South Fulton	5.00%
Germantown	5.00%	Memphis	1.70%	Spencer	5.00%
Gordonsville	3.00%	Monteagle	3.00%	Trenton	4.00%
Harriman	5.00%	Morristown	3.00%	Tullahoma	5.00%
Henderson	5.00%	Mountain City	5.00%	Union City	5.00%
Huntingdon	5.00%	Murfreesboro	2.50%	Viola	5.00%
Jackson**	5.00%	Nashville/Davidson	5.00%	Winchester	5.00%
Jellico	3.00%	** split with county		Average	4.24%

Data Source: Municipal Technical Advisory Service; Hotel/Motel Tax in Tennessee Municipalities; April 2002, p. 3-4.

rate (8%), and the highest overall rate (10%). While the resort cities do generate some revenues from this source, it is clear that they could generate much more. Since cities within the county already impose the tax, Sevier County would only be able to charge the tax in areas outside of those cities unless it received an exception to T.C.A. § 67-4-1425.

**Table 18: Resort City Hotel/Motel Tax Revenue and Potential Tax Revenue
FY 2003**

Resort City	2003 Hotel/Motel Tax Revenue	Estimated Hotel/Motel Tax Revenue at 5%	Estimated Hotel/Motel Tax Revenue at 8%	Estimated Hotel/Motel Tax Revenue at 10%
Gatlinburg	\$3,601,413	\$6,002,355	\$9,603,768	\$12,004,710
Pigeon Forge	\$2,656,515	\$5,313,030	\$8,500,848	\$10,626,060

Data Source: Municipal Audit Reports for Gatlinburg and Pigeon Forge

Gatlinburg and Pigeon Forge are the only two local governments in the state authorized to levy the special local gross receipts tax.

Special Local Gross Receipts Tax

In addition to taxes common to other Tennessee cities, such as the property tax and the local business tax, Gatlinburg and Pigeon Forge have been authorized to levy some local taxes that are less common, including one that is unique to these two cities and one that is unique to Gatlinburg. The largest of these is a special local gross receipts tax on certain business activities. This tax goes above and beyond the gross receipts business tax that most cities and counties already levy. Gatlinburg and Pigeon Forge are the only two cities in the state authorized to levy this locally collected tax. Gatlinburg imposes a tax of 1.25 % on the most retail, wholesale, and service sales. Pigeon Forge collects a similar tax at a 1% rate. To differentiate it from the local business tax, this tax will hereinafter be referred to as the local gross receipts tax.

Gatlinburg was given the authority to enact the local gross receipts tax by the legislature in Private Act 328 in 1955, while Pigeon Forge enacted the tax a bit later, under the legislative authority provided by Public Chapter 808 of the Public Acts of 1976. In fiscal year 2003, Gatlinburg's local gross receipts tax produced \$5,217,684.²³ Pigeon Forge's local gross receipts tax netted the city \$6,500,101 during the same time period.²⁴ In its audit report, Gatlinburg describes its use of the local gross receipts tax, as well as other atypical local taxes, as follows:

[P]roperty tax revenues [are] a much smaller percentage of total revenues than is found in most cities. Because the City is a premier type tourist destination, service levels are geared to provide services to a transient population which is in excess of ten times the City's permanent population. Because of this large transient population, the city has chosen to derive the majority of it's (sic) revenues from the users of

²³ City of Gatlinburg, Municipal Audit Report, FY 2003, p. 17.

²⁴ City of Pigeon Forge, Municipal Audit Report, FY 2003, p. 6.

these services through add-on taxes and the City's [local] gross receipts tax... these add-on taxes and the City's [local] gross receipts tax... These add-on taxes and [local] gross receipts tax account for sixty-four percent (64%) of the governmental activities' total revenues.²⁵

Sevierville has asked the legislature to approve a local gross receipts tax, but that city has not yet received the authority to levy one. The issue has a long history in Sevierville, beginning with the City Council's rejection of the mayor's proposal to seek approval from the legislature for the tax.²⁶ A March 1998 report raises the issue that Sevierville is in the strange position of being hurt by a spate of growth in non-tourism-related retail stores. Noting that Sevierville could not attain "premier resort" status without 40% or more of its commercial base in the tourist industry, the City Administrator pointed out that "the city is enjoying growth in other commercial sectors, making the resort-status percentage a moving target."²⁷ Finally, a January 2001 report states that, in December of 2000, Sevierville took the necessary actions:

While all three towns [Gatlinburg, Pigeon Forge and Sevierville] benefit from a hotel/motel tax, Sevierville does not tax amusements, restaurants or gross receipts, which would be the biggest revenue producer... Instituting such taxes requires a Private Act by the Legislature, and the Sevierville Board of Aldermen in December passed resolutions requesting authorization to implement a [local] gross-receipts tax as well as a tax on hospitality businesses.

Sevierville asked the state legislature to grant authority for a special local gross receipts tax, but it was not approved.

²⁵ City of Gatlinburg, Municipal Audit Report, FY 2003, p. 17.

²⁶ DeLozier, Stan. "Sevierville Mayor Still Eyeing New Tax," *Knoxville News-Sentinel*, March 27, 1994, p. B1.

²⁷ Thomas, Lois Reagan. "Sevier County Welcomes Change; Tourism Thrives as Entertainment Options Multiply," *Knoxville News-Sentinel*, March 8, 1998, p. D1.

Knoxville sought the authority to levy a special gross receipts tax, but it was not granted by the General Assembly.

[Local businessman] Don Nichols... warned that attaching the catch-all 'hospitality' label to a tax would likely mean that the Legislature wouldn't approve it. 'It would set a precedent, and various segments of the hospitality industry would band together to oppose it,' he predicted.

While some predict it'll be tough sledding to get the Legislature to approve any new taxes for Sevierville, Atchley said he thinks it can be done if a consensus can be reached among the city's various business segments.²⁸

Sevierville is not the only city to be thwarted by an inability to get legislative approval for a tax similar to the one in Gatlinburg and Pigeon Forge. Knoxville Tourism Chamber President and CEO Tom Ingram wrote a column in the group's monthly newsletter in early 1999 suggesting that one of the reasons Knoxville lost the East Tennessee Smokies ball club to Sevierville was that Knoxville's stadium plan involved a local gross receipts tax which would require enabling legislation from the state that was far from ensured. "I don't mean to be negative," he wrote, "but how different it might have been."²⁹ A February 2000 report on Knoxville's then-proposed convention center brought the subject up again:

The options the city has to complete financing of the center are those presented to [the] City Council last year, city officials say. They include: an increase in the property tax, local gross receipts tax or hotel/motel tax, or implementation of a wheel tax. Craig Griffith, mayoral

²⁸ Thomas, Lois Reagan. "Sevierville Wakes Up to Growth; City Looking to Taxes to Pay for Expansion of Services," *Knoxville News-Sentinel*, January 21, 2001, p. D1.

²⁹ Vines, Georgiana. "KCVB Selection Process Brings non-Local Result," *Knoxville News-Sentinel*, March 30, 1999, p. C1.

spokesman, said increasing the local sales tax, which would require a referendum, ‘is not actively being considered.’ A... gross receipts [tax] would require state legislation, and a proposed enabling act that Mayor Victor Ashe sought last year is still bottled up in Nashville.³⁰

That tax’s final rejection was reported a few months later, when a hotel/motel tax and an increase in the property tax were approved by the Knoxville City Council. In response to opposition to the hotel/motel tax by the city’s hotel/motel industry, City Finance Director Randy Vineyard noted that the room tax was a necessity. The newspaper account said that “a gross receipts tax might have spread the pain around, but the tax would have required legislative approval, and the city had already been thwarted in that effort.”³¹

It is clear, then, that at least two other cities have tried to obtain legislative approval to levy a local gross receipts tax and have failed.

Special Restaurant (Food and Beverage) Tax

Gatlinburg levies another unique tax, a 1½ % charge on all prepared foods. In FY 2003, this tax raised \$1,281,104. In recent years, several cities, including Jackson and Chattanooga, have lobbied for restaurant taxes, but have not succeeded in obtaining enabling legislation. There was discussion of statewide enabling legislation during the early years of then Governor Sundquist’s term, but, again, such proposals never made it through the Legislature.³²

“A gross receipts tax might have spread the pain around, but the tax would have required legislative approval, and the city had already been thwarted in that effort.”

Knoxville News-Sentinel, on complaints about a new hotel/motel tax in Knoxville

Gatlinburg also levies a special 1½% tax on all prepared foods, which netted the city nearly \$1.3 million in FY 2003.

³⁰ Vines, Georgiana. “City’s Vision for Convention Center Slowly Takes Shape,” *Knoxville News-Sentinel*, February 23, 2000, p. A1.

³¹ Comment; “Endorsing the Vision,” *Knoxville News-Sentinel*, April 24, 2000, p. A10.

³² Sher, Andy. “Governor Eases Stand on Local Tax Authority, Choice for Communities Backed,” *The Chattanooga Times*, September 1, 1995, p. B6.

Both Gatlinburg and Pigeon Forge levy a 2% amusement tax. T.C.A. §64-6-212 claimed amusements as privileges taxable by the state and allowed only the two cities and one county with existing amusement taxes to keep them without obtaining special authority. Since then, only Pigeon Forge and Gatlinburg have received such special authority.

Coffee County's 2004 bid to levy a \$5 per ticket tax on tickets to events drawing over 50,000 people, aimed at its annual weekend-long concert Bonnaroo, failed in the House of Representatives.

Special Amusement Tax

Though the Legislature extended the definition of the sales tax to include amusements in 1984 (T.C.A. § 64-6-212), a few cities have an additional amusement tax that is considered to be a tax on the privilege of providing amusement services. Both Gatlinburg and Pigeon Forge levy a 2% tax on gross receipts of admission prices to amusements, with amusements defined as movies, any live performances, theme parks, museums, and entertainment activities. Gatlinburg's amusement tax raised no funds in FY 2003, as it is new to the city. Pigeon Forge raised \$1,645,682 in FY 2003 through its amusement tax, which has been in place since 1979. Knoxville has an amusement tax that dates back to 1947, and Polk County has one aimed at whitewater rafting that dates back to 1981. Both have been allowed to stand since they preceded the extension of the sales tax to amusements. Portland charges a flat fee for a theater license (for movies or live performances). These local amusement taxes require approval by the Legislature before they can be enacted.

While Gatlinburg was able to secure a private act authorizing its new amusement tax during 2002 (Private Act 102), Coffee County lost a bid during the 2004 legislative session for a similar act to levy a \$5 tax on tickets to events drawing over 50,000 people, aimed at its annual weekend-long concert, Bonnaroo. The Senate passed the Private Act (SB 2074) unanimously, but the House claimed the bill (HB 2146) had constitutional problems, though Coffee County's mayor, Ray Johnson, had his county attorney work with a group from the University of Tennessee to write the bill specifically to pass constitutional muster.³³ After several attempts to address House opponents' constitutional concerns through amendments, the Coffee County amusement tax bill died.³⁴

³³ Cox, Jason. "Bill Could Add Bonnaroo Tax," *The Sidelines*, February 5, 2004, State and Local.

³⁴ House Amendments 607, 652 and 653 attempted to define the additional uncompensated costs borne by Coffee County because of the concert and to ensure that the language did not put the tax specifically and only on Bonnaroo. House constitutional concerns were that legislation cannot be personalized to one person or event and that uncompensated costs must exist. The latter was assumed true for Gatlinburg's private act without consideration of its other tourist-city-based revenue.

Total Local Tax Effort

The property tax rates that would be required to generate the revenues from each of the additional local taxes, as well as a total of current property tax rates and these other rates combined, is presented in Table 19. Rankings of combined city, county and special school district property tax rates by city are presented in Appendix V-c. The actual rates are used for Gatlinburg and Pigeon Forge in these tables. The cities are ordered by property tax rates from lowest to highest. In the combined rate table, cities that are located in more than one county have a separate listing for each county they are in. The combined rate table is also ordered from lowest rate to highest rate.

Based on their nominal tax rates, Gatlinburg and Pigeon Forge have the eleventh and sixth lowest, respectively, city property tax rates in Tennessee (see Appendix V-b). They also enjoy almost the lowest combined city and county rates among all Tennessee cities with a city property tax, with Pigeon Forge at 3rd lowest and Gatlinburg at 4th. Even if one adjusts the property tax rate to what would be required to make up local gross receipts tax revenue, 66 cities have a rate higher than Gatlinburg's and 49 cities have a rate higher than Pigeon Forge (see Appendix V-c). With their property tax rates thus adjusted to include all of their special local taxes, there are 22 cities with a higher rate than Gatlinburg and 41 cities with a higher rate than Pigeon Forge. This ranking counts cities that span more than one county, and thus are listed twice, only once each.

Likewise, when city, county, and special school district rates are combined, with the total corrected for those cities that are listed twice, there are 191 cities with a *combined* rate higher than Gatlinburg's, and 145 cities with a *combined* rate greater than Pigeon Forge's. These cities make enough of a local effort that their state support does not dominate their revenues, but many cities still have higher local tax rates. In addition, many local governments, including Knoxville, Chattanooga, Sevierville and Coffee County, have tried to levy one or more of the unique taxes that Gatlinburg and Pigeon Forge rely on, but they have been unable to convince the legislature to pass

If Gatlinburg and Pigeon Forge raised their property tax rates high enough so that all of their special local tax revenues were raised through property taxes instead of through special local tourist taxes, 22 cities would still have a property tax rate higher than Gatlinburg, and 41 cities would still have a property tax rate higher than Pigeon Forge.

the necessary enabling legislation. Finally, as Chairman Randy Rinks pointed out at a June 2004 TACIR meeting, the burden of these special local taxes falls much more on people from outside the city than it does on city residents. Thus, the comparison of these taxes to property taxes is not necessarily a useful one, as the burden of these special taxes does not fall as much on residents as the burden of a property tax does.

Table 19: Gatlinburg and Pigeon Forge Property Tax Rates Required to Raise Revenues Equal to Those Raised by Some of Their Other Local Taxes in FY 2003

This table shows the level of property tax that would be required to raise the same revenues that are raised through the local gross receipts tax, the amusement tax (Pigeon Forge), and the food and beverage tax (Gatlinburg). In each case, the revenue raised by the tax in 2003 is divided by total assessments to figure how much must be raised per \$1 of assessments to replace that revenue. This number is then multiplied times 100 because property tax rates are expressed as the rate per \$100 of assessment value.

City	Property Tax Revenue	Local Gross Receipts Tax Revenue	Amusement Tax Revenue	Food & Beverage Tax Revenue	Total Assessments	Number of Cities with Rates Higher Than the Current Rate
Gatlinburg	\$957,154	\$5,217,684	\$0	\$1,281,104	\$445,540,242	253
Pigeon Forge	\$860,436	\$6,500,101	\$1,645,682	\$0	\$453,541,764	258

City	Current Rate	Rate Required to Raise Local Gross Receipts Tax Revenue Amount	Rate Required to Raise Amusement Tax Revenue Amount	Rate Required to Raise Food & Beverage Tax Revenue Amount	Rate Required to Raise Total Listed Local Tax Revenue Amount	Number of Cities with Rates Higher Than the Hypothetical Total Rate
Gatlinburg	\$0.18	\$1.17	NA	\$0.29	\$1.64	22
Pigeon Forge	\$0.12	\$1.43	\$0.36	NA	\$1.92	41

Source:
 Tax Revenues from 2003 Municipal Audit Reports
 Total Assessments from Comptroller of the Treasury, 2003 Assessment Summary
 Property Tax Rates from Comptroller of the Treasury, 2003

Other Considerations

Resort Cities as Models for State Tourism Programs

While Gatlinburg and Pigeon Forge have economies dominated by tourism, other counties are also heavily impacted by the tourist industry. Table 20 shows the economic impact of tourism³⁵ in the five counties with the highest tourist expenditures. Davidson and Shelby Counties have higher absolute tourism activity than Sevier County, though they generate relatively less activity on a per capita basis, as both have very large resident populations.

Table 20: Domestic Tourism Impact in Tennessee, Top 5 Counties, 2001

County	Expenditures (Millions)	Payroll (Millions)	Employment (Thousands)	State Tax Receipts (Millions)	Local Tax Receipts (Millions)	Per Capita Local Tax Receipts
Davidson	\$2,903.60	\$846.45	44.24	\$126.37	\$74.74	\$189
Shelby	\$2,244.51	\$656.01	29.35	\$82.68	\$63.41	\$71
Sevier	\$1,055.72	\$290.65	17.1	\$59.72	\$31.02	\$436
Knox	\$549.76	\$133.59	7.03	\$29.08	\$13.29	\$35
Hamilton	\$529.71	\$116.48	6.8	\$31.24	\$11.77	\$38
Top Five Totals	\$7,283.30	\$2,043.20	104.52	\$329.10	\$194.20	\$87
State Totals	\$9,872.37	\$2,556.09	133.47	\$488.81	\$295.45	\$52
Share of Top 5 Counties	73.80%	79.90%	78.30%	67.30%	65.70%	

Data Source: Tennessee Department of Tourist Development. *The Economic Impact of Travel on Tennessee Counties*, 2001, June, 2003, p. 25.

The Gatlinburg and Pigeon Forge tourist industries owe much of their success to their proximity to Great Smoky Mountains National Park, which garners more visitors per year than any other national park in the nation.³⁶ But these two cities have taken that built in attraction and added both municipal and private investment projects to make them more often vacation destinations than pass-through tourist attractions. These investments, including such major projects as Ripley's Aquarium and Dollywood, have

³⁵ The Department of Tourist Development disseminates this report created by the Tourism Industry Association of America, which estimates the tax revenues generated by tourism. At the state level, it attributes portions of revenues from state sales and excise taxes, as well as portions of revenues from taxes on personal and corporate income. At the local level, it attributes portions of both sales and property tax revenues.

³⁶ See National Park Service statistics at <http://www2.nature.nps.gov/stats/>

Investment in tourism can be difficult for cash-strapped local governments trying to fund basic services, but an investment effort from the state could help them to develop thriving tourist industries.

contributed to the explosive growth of the tourism industry in Sevier County over the last few decades. The additional money provided them by the state has no doubt aided such investment.

Might other cities with natural attractions, or those who just wish to build a tourist industry, make use of similar state disbursements to develop tourism? Would such development raise more revenue for the state than it would cost? Figure 1 shows those counties which have generated above average growth in state tourist-related tax revenues since 1998. National and state parks, as well as the Natchez Trace Parkway, are included on the map. The addition of major rivers would have rendered the map too cluttered to be readable, but some of those counties with substantial state tax revenue growth contain portions of major rivers.

Growth in county tourism industries across the state suggest that the full potential of this industry has not been realized. Fourteen counties experienced a growth rate of more than 50% since 1998 in their state tax collections that derive from the tourist industry. The average growth rate for all counties in these tax revenues was 27%. Investment in tourism can be difficult for cash-strapped local governments trying to fund basic services, but an investment effort from the state could help them to develop thriving tourist industries.

Using different calculation methods that measure state tax revenues resulting from tourism more directly, the Department of Tourist Development has produced the Tennessee Travel Trend Report.³⁷ Sevier County produced \$38.2 million of the total \$324 million tax revenue from sources related to tourism in Tennessee in FY 2003.³⁸

³⁷ In introducing the report, the Department states that “the reports are not intended to match the data presented in the ‘Economic Impact Report’ prepared by TIA (Travel Industry Association of America). They are provided to show the most current trends for selected tourism activities utilizing data provided by the Tennessee Department of Revenue. The availability of timely data focusing on revenue, state and local tax collections will provide the travel industry with the ability to monitor trends.”

³⁸ Tennessee Travel Trend Reports; Department of Tourist Development. The report is available on the web at <http://www.state.tn.us/tourdev/reports.html>. Relying on standards provided by the Travel Industry Association of America, these totals include portions of the following revenue codes: 1) SIC 53, General Merchandise Stores, 5.8% of collections; 2) SIC 58, Eating and Drinking Places, 22% of collections; 3) SIC 59, Miscellaneous Retail, 5.8% of collections; 4) SIC 70, Hotel and Other Lodging Places, 100% of collections; 5) SIC 79, Amusement and Recreation Services, 100% of collections; and 6) SIC 84, Museums, Botanical and Zoological Gardens, 100% of collections.

This is substantially more than the \$5.3 million in additional funds dispersed to Gatlinburg and Pigeon Forge as resort cities, further demonstrating the revenue raising potential of expanding Premier Resort status to other communities. The 10 counties that produced the most tourism-related state tax revenues are presented in Table 21.

**Table 21: Tourism-Related State Tax Dollars
Top 10 Counties, FY 2003**

County	Tourism-Related State Tax Dollars FY 2003	Growth in Tourism- Related State Tax Dollars 1998 - 2003
Davidson County	\$72,347,099	17.03%
Shelby County	\$52,552,700	24.68%
Sevier County	\$38,257,480	31.39%
Knox County	\$24,083,421	33.17%
Hamilton County	\$19,511,370	21.31%
Williamson County	\$10,485,731	64.34%
Rutherford County	\$8,142,668	46.01%
Sullivan County	\$7,143,619	25.35%
Blount County	\$5,961,543	47.82%
Madison County	\$5,906,200	20.10%
Tennessee	\$324,111,414	26.96%

Source: Tennessee Travel Trend Report, Department of Tourist Development

Federal investment in the Natchez Trace Parkway³⁹ appears to be paying off in increased tourism. Some of the highest growth rates in county tourism-related state tax dollars have been generated in counties with tourist locations on or near the Parkway.

The map in Figure 1 shows the counties with greater than a 50% growth rate in tourism-related state tax dollars, as well as those with a growth rate higher than the average for Tennessee counties (26.96%).

³⁹ The federal government has spent \$350 million on the Natchez Trace Parkway since it was authorized by Congress in 1938. The Tennessee portion was completed in 1996. The Associated Press. "Natchez Trace Nears End of the Long Trail, Tenn. To Fete Finish of its Nearly 60-year Project," *The Commercial Appeal*, June 22, 1996, p.12A.

Tennessee has two additional programs that provide special sales tax distributions to cities making investments in tourist-related industries: one is aimed at the costs of building a stadium to attract a major league sports team or event, and the other assists with the building of a convention center in an approved “development zone”.

Other Special Sales Tax Programs Aimed at Tourist Development

Tennessee has two additional programs that provide special sales tax distributions to cities making investments in tourist-related industries. These programs are not based on resort city status, and while tangential to the focus of this report, they are similar in intent and make use of the sales tax as a mechanism for delivering inducements to cities. As such, a brief description of them in this report will contribute to a complete picture of state monetary incentives for city investment in the tourist industry.

Municipal Sports Authorities

T.C.A. § 67-6-103(d)(1)(A) provides special sales tax benefits for municipal sports authorities that have secured a major league baseball, football, basketball or hockey team, or a minor league baseball team that is affiliated with a major league team and is at Class AA level or higher for which the city has built a stadium. Subsection (C) added municipal sports authorities that have constructed facilities costing more than \$40 million for a motor speedway event (and that have actually attracted such an event). Such municipalities receive the 6% portion of the state sales tax (prior to its last increase), minus any portions earmarked for education, collected on ticket sales to the sports franchise’s games, concessions sold on the premises, parking fees, and franchise merchandise sales within the county. This sales tax benefit must go to the sports authority and be used to retire debt on the facility. The benefit lasts for no more than 30 years.

Subsection (B) makes an exception the case of NFL teams, so that distributions for NFL teams go to the state general fund rather than the municipality. The NFL exception to the special earmarking was written in response to an agreement between Nashville and the State of Tennessee for construction of the Titans’ stadium in Nashville. As reported at the time:

The \$55 million bond issue would be repaid from state sales taxes on tickets and merchandise sold at the stadium over a

20-year period. Officials said they expect a minimum of \$3 million per year in such revenues enough to cover the bond payments and perhaps twice that much. Under state law, Nashville could have claimed those state revenues for itself to finance the package, state Finance Commissioner Bob Corker said. The city, however, already has so many bonds outstanding including \$110 million for ongoing construction of a new arena that the state's credit is desirable.⁴⁰

The state distributed nearly \$5 million in special sales tax revenue to 6 cities with major league sports teams or events in FY 2003.

The amounts disbursed to cities in FY 2003 are listed in Table 22. Sales tax revenues generated from Tennessee Titans activities are directed to the state general fund, rather than to Nashville, as explained above. Those amounts for FY 2003 were \$3,013,321 (tickets) and \$1,661,139 (concessions and merchandise), for a total of \$4,674,460.

Table 22: Municipal Sports Authority Sales Tax Disbursements for FY 2003

CITY	FACILITY	TEAM / EVENT	AMOUNT
Nashville	Gaylord Entertainment Center	Predators Total	\$1,649,156
		Tickets	\$1,450,884
		Concessions & Merch.	\$198,272
Sevierville	Smokies Park	Smokies Total	\$111,694
		Tickets	\$76,748
		Concessions & Merch.	\$34,946
Jackson	Pringles Park	Diamond Jaxx Total	\$164,890
		Tickets	\$63,528
		Concessions & Merch.	\$101,362
Memphis	The Pyramid/ FedExForum (fall 2004)	Grizzlies Total	\$1,831,719
		Tickets	\$1,709,911
		Concessions & Merch.	\$121,808
Memphis	AutoZone Park	Redbirds Total	\$808,474
		Tickets	\$499,799
		Concessions & Merch.	\$308,675
Lebanon	Nashville SuperSpeedway	Various Races Total	\$383,558
		Tickets	\$323,441
		Concessions & Merch.	\$60,117

Data Source: Tennessee Department of Revenue

⁴⁰ Humphrey, Tom. "State Sweetens Deal for Oilers, \$67 Million to Help Lure NFL Team," *Knoxville News Sentinel*, September 28, 1995, p. A1.

In FY 2003, Chattanooga received \$334,410 in tourist development zone disbursements, and Memphis received \$702,219. Tourist development zone disbursements are available to any city with approved construction in a zone that the state Department of Finance and Administration has agreed would be benefited by a public use facility.

Tourist Development Zones

T.C.A. § 7-88-106 assigns certain sales tax disbursements to cities with public use facilities in approved “tourist development zones,” as part of the Convention Center and Tourism Development Financing Act of 1998. This is a complicated law with several caveats, but it allows a municipality with a zone that the state Department of Finance and Administration has agreed would be benefited by a public use facility to receive new sales tax revenues from within that zone after the facility is built. The revenues must be used to repay debt on the facility, and the municipality can receive the extra revenues for no more than 30 years. The municipality receives only those revenues that are in excess of the “base tax revenues.” Base tax revenues are the sales tax revenues generated inside the tourist development zone prior to the opening of the public facility. The base tax revenues are adjusted every year to reflect the percentage change in sales tax revenues for the county as a whole. In FY 2003 Chattanooga received \$334,410 in tourist development zone disbursements and Memphis received \$702,219.⁴¹ Knoxville and Sevierville have approved development zones but have not completed the public use facilities.⁴²

Conclusions

The Question of Equity

This report raises the question of equity, but equity, like beauty, may be in the eye of the beholder.⁴³ The basic principles of equity have confounded economists, philosophers, theologians, politicians, and all who would define it. A few descriptive principles have been agreed upon, but their exact definitions, and whether or not they are actually desirable, remain undecided. Generally,

⁴¹ Tennessee Department of Revenue.

⁴²Biddle, Nelson. *Presentation to TACIR on Premiere Tourist Resort Cities*, June 2, 2004, introduction to Table 3.

⁴³ This paraphrases the somewhat famous quote: “Equity, like beauty, is in the mind of the beholder.” From Maynard, Alan & G. McLachlan, eds. *Public-Private Mix for Health: the Relevance and Effects of Change*, 1982. Nuffield Provincial Hospitals Trust, London.

horizontal equity requires that those who are similarly situated be treated the same, while vertical equity requires that those who are situated differently be treated differently. Since no two situations are exactly the same, there is disagreement over exactly what makes two entities “similarly situated,” but there is general agreement on the principle of horizontal equity, which is often compared to the constitutional principle of equal treatment before the law. Vertical equity is more controversial, as it implies progressivity in taxation and revenue distribution.⁴⁴

Different people interpret horizontal equity to mean different things. Using the example of city governments, some might say every city is a similar entity and should be treated the same, receiving an equal share of all city funds. Others would say that only cities with the same population are really the same, and that funds should be allocated by population. Still others would argue that the needs of each city relative to its ability to raise its own funds are the proper basis for comparison, and that cities should receive funding based on need.⁴⁵ In the case of Gatlinburg and Pigeon Forge, one could argue that the resort city statute clearly defines resort cities, and that any similarly situated city can benefit if it fits that definition of a resort city.

Some of these ideas play into vertical equity. Deciding what makes cities similar also implies deciding what makes them different. Deciding that only cities with the same population are the same means using population as a vertical equity measure of difference, saying that cities with more people are different and should be treated differently.

Under any of the above ideas of equity, however, the resort city disbursements fail to meet the standard. The formula is not the same for each city, cities do not get the same amounts, and the funds are not distributed by need. Furthermore, though Gatlinburg and Pigeon Forge produce above average amounts of state sales

Under any of the accepted ideas of equity, the special resort city disbursements fail to meet the standard.

⁴⁴ Cordes, Joseph J. “Horizontal Equity,” in Cordes, Joseph J., Robert D. Ebel, & Jane G. Gravelle, eds. *The Encyclopedia of Taxation and Tax Policy*. Washington, D.C.: Urban Institute Press, 1999.

⁴⁵ For a good discussion of the difficulties of defining “similar” in horizontal equity, and how the definition can blur with that of vertical equity, see Kaplow, Lewis. “Horizontal Equity: Measures in Search of a Principle,” *National Tax Journal* 42 (2), 1989, p. 139-55.

The major difference between the premier resort distribution and other incentives meant to encourage cities to promote tourism is that the resort city designation is very narrowly defined, so cities other than Gatlinburg and Pigeon Forge cannot qualify for the special distributions.

taxes, they produce neither the most in absolute terms nor the most per capita,⁶⁶ yet they receive by far the most in per capita shared taxes to cities. This outcome is difficult to justify, especially when it is clear that the resort city statutes were written to include these two cities, and only these two cities.

The tourism industries in Gatlinburg and Pigeon Forge are based primarily on their proximity to the Great Smoky Mountains National Park (a natural resource maintained primarily through federal investment), and from interstate and state highways leading to it. There are other counties in the state that generate more tourism dollars than Sevier County, but where tourism-related property simply does not make up the required 40% of assessments. Those counties also bring in sales tax revenues to the state with their tourism, with little or no reliance on federally-maintained attractions. While Davidson and Shelby Counties, for instance, have higher absolute tourism activity than Sevier County, they generate relatively less activity on a per capita basis, as both have very large resident populations.

Other cities do receive some sales tax rebates through other state programs aimed at increasing tourism, primarily by aiding in the construction of sports facilities, convention centers and other public use facilities. The major difference between the premier resort distribution and other incentives meant to encourage cities to promote tourism is that the resort city designation is very narrowly defined. The language used makes clear that, when it was bestowed on Gatlinburg, it was meant only to benefit Gatlinburg. When it was later bestowed on Pigeon Forge, it was meant to add only Pigeon Forge. Amounts were increased by giving additional funds to resort cities with a theme park of not less than 80 acres or with both a golf course and a ski slope.

The requirement of a population of 1,100 is arbitrary and the choice of 40% of assessed property values devoted to tourism is also without explanation. No consideration is given to the absolute

⁶⁶ Not all state tax revenues are identifiable by situs. Among those that are, the resort cities come close to contributing the most per capita, but Berry Hill raises substantially more per capita than either Gatlinburg (2nd) or Pigeon Forge (3rd). In absolute amounts, Pigeon Forge is 19th and Gatlinburg is 30th. See Appendix II.

amount of tourism, so that non-tourist related businesses can be unwelcome to a city sitting on the cusp of designation as a resort city. This could have the unintended consequence of causing resort cities to limit their non-tourist economic growth. And it excludes larger cities with a larger absolute tourism sectors, albeit ones that make up a smaller percentage of their economies, than the resort cities have.

In FY 2003, Gatlinburg spent \$5,999,791 on tourism expenses.⁴⁷ This amount is more than covered by Gatlinburg's special local gross receipts tax and special food and beverage tax revenues. This does not even consider the city's new special amusement tax. Pigeon Forge saw 85% of its \$9,667,136 in Department of Tourism expenditures covered by its special local gross receipts and special amusement tax revenues.⁴⁸ Both cities still have substantial additional local revenue boosts from tourism, including their hotel/motel and local option sales tax revenues. When the tourism industries in these two cities were first developing, there may have been a need for them to catch up to growth with some extra state funding. If such a time existed, it is long past. The tourism industries in Gatlinburg and Pigeon Forge are mature industries that more than pay for themselves.

The incentives given for investment in sports facilities and in convention centers are available to any city that chooses to avail itself of them. They are limited to amounts that are actually generated by the investment in question, and they have a life span limited to the average length of time the city would carry the debt from the investment. The resort city distributions have no time limits and few, if any, spending requirements, and the amounts have no direct relationship to funds generated by municipal investment in tourism (resort city distributions are a percentage of sales tax, which will increase with tourism investment, no matter who does the investing).

The resort city statutes were tailored to apply to Gatlinburg and to Pigeon Forge, and to grant substantial additional state-shared

The incentives given for investment in sports facilities and in convention centers are available to any city. They are limited to amounts that are actually generated by the investment in question, and they have a life span limited to the average length of time the city would carry the debt from the investment. The resort city distributions have none of these restrictions.

⁴⁷ 2003 Municipal Audit Report for Gatlinburg.

⁴⁸ 2003 Municipal Audit Report for Pigeon Forge.

Encouraging cities to invest in tourism can create substantial opportunities for the state to reduce the tax burden it must place on its own residents.

taxes to those two cities, compared to what they would receive if treated like other cities. While it is true that the tourism industry in these cities requires greater expenditures than in other cities of comparable size, that same tourism industry greatly expands the local tax base of the resort cities, and thus the revenues collected and retained by the cities from local taxes.

The resort cities spend substantially more per capita on city services than cities with similar populations, and suffer from higher property crime rates, but both county and highway-specific data suggest they do not have the traffic density of larger cities. While the resort cities dedicate a much larger portion of their economies to tourism than other cities, two counties in the state, Davidson and Shelby, generate more tourism dollars than Sevier County. It may be that a smaller economy is less able to absorb the seasonal swings in economic activity generated by tourism, but this problem requires more of a revenue smoothing solution than a higher revenue solution.

Encouraging cities to invest in tourism can create substantial opportunities for the state to reduce the tax burdens it must place on its own residents, though some of the tourists come from in-state and thus represent lost tax dollars to other cities and counties. It makes sense to provide monetary inducements to cities to nurture and develop their tourism industries. Such programs should be defined in ways that promote many opportunities for cities and counties and not just a few.

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Appendix I

Total Per Capita State-Shared Tax Distributions by City, Ordered from High to Low, for FY 2003

State-shared tax totals include state distributions to cities of tax revenues from the following sources: Hall income, gasoline and motor fuel, beer excise, TVA payments, sales and use, mixed drink, special petroleum, and corporate excise. These are the same categories included in previous TACIR reports dealing with state-shared taxes.

City	Population	Per Capita Shared Tax Distribution
GATLINBURG	3,382	\$848.25
PIGEON FORGE	5,172	\$736.54
BELLE MEADE	2,943	\$596.76
LOOKOUT MOUNTAIN	2,000	\$381.44
TOWNSEND	244	\$331.80
FOREST HILLS	4,710	\$220.91
OAK HILL	4,493	\$178.78
WALDEN	1,960	\$167.35
BRENTWOOD	26,743	\$166.12
RIDGESIDE	389	\$154.60
COLLEGEDALE	6,514	\$152.05
CARTHAGE	2,251	\$149.91
SIGNAL MOUNTAIN	7,725	\$148.37
BERRY HILL	674	\$146.82
LINDEN	1,015	\$143.83
CUMBERLAND CITY	316	\$143.40
DANDRIDGE	2,078	\$142.27
KNOXVILLE	173,890	\$141.82
COTTAGE GROVE	97	\$141.69
GERMANTOWN	40,203	\$140.24
ROCKFORD	852	\$136.28
ROSSVILLE	380	\$133.70
LOUDON	4,476	\$131.79
SEVIERVILLE	12,434	\$130.79
VANLEER	310	\$129.31
RIPLEY	7,844	\$128.36
GREENEVILLE	15,274	\$127.06
MONTEAGLE	1,238	\$124.98
FARRAGUT	17,720	\$124.55
CHATTANOOGA	155,554	\$124.50
NASHVILLE	396,683	\$124.10
FRANKLIN	41,842	\$123.82
TAZEWELL	2,165	\$123.57
WAYNESBORO	2,228	\$123.31

Appendix I
Total Per Capita State-Shared Tax Distributions by City, Ordered from High to Low, for FY 2003 (cont.)

City	Population	Per Capita Shared Tax Distribution
CROSSVILLE	8,981	\$123.08
MOUNTAIN CITY	2,500	\$122.46
LAGRANGE	136	\$122.45
BYRDSTOWN	903	\$121.85
JAMESTOWN	1,839	\$121.63
GREENBACK	954	\$121.25
BANEBERRY	366	\$121.25
NORMANDY	141	\$121.09
MASON	1,089	\$120.39
PLEASANT HILL	544	\$120.22
SPARTA	5,030	\$119.89
BURNS	1,366	\$119.17
LIVINGSTON	3,498	\$118.51
ROGERSVILLE	4,240	\$118.46
COPPERHILL	511	\$118.39
EAGLEVILLE	464	\$118.20
KINGSPORT	44,905	\$117.94
MARYVILLE	23,120	\$117.92
CEDAR HILL	298	\$117.75
ATHENS	13,334	\$117.13
OAK RIDGE	27,387	\$116.85
MEMPHIS	677,382	\$116.81
MILLINGTON	12,291	\$116.73
CLEVELAND	37,192	\$116.45
BROWNSVILLE	10,748	\$116.43
DECATUR	1,395	\$116.23
JOHNSON CITY	55,652	\$116.02
FAYETTEVILLE	6,994	\$115.89
JACKSON	59,643	\$115.68
MCMINNVILLE	12,783	\$115.65
NORRIS	1,446	\$115.45
MANCHESTER	8,294	\$115.29
BELL BUCKLE	405	\$115.28
GRAND JUNCTION	301	\$115.23
PARIS	9,763	\$114.92
TOONE	330	\$114.78
DUCKTOWN	427	\$114.68
TULLAHOMA	17,994	\$114.65
MOSCOW	422	\$114.53
WARTBURG	890	\$114.38
MONTEREY	2,717	\$114.24
ARLINGTON	2,569	\$114.17

Appendix I**Total Per Capita State-Shared Tax Distributions by City, Ordered from High to Low, for FY 2003 (cont.)**

City	Population	Per Capita Shared Tax Distribution
DRESDEN	2,855	\$114.10
WAVERLY	4,059	\$113.95
LEWISBURG	10,413	\$113.90
VONORE	1,162	\$113.82
ELIZABETHTON	14,017	\$113.48
LENOIR CITY	6,819	\$113.31
GLEASON	1,463	\$112.91
DICKSON	12,244	\$112.73
PULASKI	7,871	\$112.43
ONEIDA	3,615	\$112.14
STANTON	615	\$112.08
NIOTA	781	\$112.01
LEBANON	20,244	\$111.86
RED BOILING SPRINGS	1,023	\$111.85
BIG SANDY	518	\$111.71
BETHEL SPRINGS	763	\$111.46
WOODBURY	2,428	\$111.33
DECATURVILLE	859	\$111.33
ASHLAND CITY	3,641	\$111.15
SPRING CITY	2,025	\$111.10
KINGSTON	5,264	\$111.04
RUTLEDGE	1,187	\$110.99
ADAMS	566	\$110.94
SOMERVILLE	2,671	\$110.78
BRISTOL	25,259	\$110.72
COOKEVILLE	26,052	\$110.62
NEWPORT	7,242	\$110.56
DYERSBURG	17,452	\$110.49
BRADFORD	1,113	\$110.40
LAFAYETTE	3,885	\$110.28
JONESBOROUGH	4,314	\$110.19
GAINESBORO	879	\$110.10
COLLIERVILLE	37,044	\$110.00
GORDONSVILLE	1,066	\$109.95
COLUMBIA	33,055	\$109.90
MIDDLETON	670	\$109.87
LYNCHBURG	497	\$109.78
PETERSBURG	580	\$109.76
GALLATIN	23,230	\$109.52
MORRISON	684	\$109.43
TRENTON	4,683	\$109.26
UNION CITY	10,876	\$109.15

Appendix I**Total Per Capita State-Shared Tax Distributions by City, Ordered from High to Low, for FY 2003 (cont.)**

City	Population	Per Capita Shared Tax Distribution
BULLS GAP	714	\$109.11
CAMDEN	3,828	\$108.68
PIKEVILLE	1,781	\$108.42
WINCHESTER	7,329	\$108.32
ALAMO	2,392	\$108.27
ALCOA	7,734	\$108.22
FRIENDSHIP	608	\$108.18
HUMBOLDT	9,467	\$108.10
WARTRACE	548	\$108.00
HARTSVILLE	2,395	\$107.84
LAFOLLETTE	7,977	\$107.84
HUNTINGDON	4,349	\$107.78
DOVER	1,442	\$107.77
GOODLETTSVILLE	13,780	\$107.75
SMITHVILLE	3,994	\$107.70
ALEXANDRIA	814	\$107.69
CELINA	1,379	\$107.66
MORRISTOWN	24,965	\$107.61
MCLEMORESVILLE	259	\$107.56
COLLINWOOD	1,024	\$107.47
MADISONVILLE	3,939	\$107.20
CENTERVILLE	3,793	\$107.11
VIOLA	129	\$107.07
HARRIMAN	6,744	\$106.78
SHELBYVILLE	16,105	\$106.76
SOUTH PITTSBURG	3,295	\$106.71
SAVANNAH	6,953	\$106.35
SWEETWATER	5,586	\$106.33
ADAMSVILLE	1,983	\$106.31
DUNLAP	4,173	\$106.30
LOUISVILLE	2,066	\$106.30
HENDERSONVILLE	40,849	\$106.13
JASPER	3,214	\$106.12
ESTILL SPRINGS	2,294	\$106.10
LAWRENCEBURG	10,796	\$106.06
MCKENZIE	5,295	\$106.03
NEW MARKET	1,234	\$105.94
COVINGTON	8,463	\$105.76
DAYTON	6,180	\$105.75
HALLS	2,311	\$105.74
LOBELVILLE	915	\$105.74
LEXINGTON	7,393	\$105.73

Appendix I**Total Per Capita State-Shared Tax Distributions by City, Ordered from High to Low, for FY 2003 (cont.)**

City	Population	Per Capita Shared Tax Distribution
TELLICO PLAINS	859	\$105.72
WHITE PINE	1,997	\$105.65
CLINTON	9,409	\$105.50
THOMPSON'S STATION	1,283	\$105.46
CLARKSVILLE	103,455	\$105.43
LYNNVILLE	405	\$105.38
GREENFIELD	2,208	\$105.32
DECHERD	2,246	\$105.09
SELMER	4,541	\$105.07
PURYEAR	667	\$105.05
ERWIN	5,798	\$104.97
HUNTSVILLE	1,116	\$104.96
SPRINGFIELD	14,332	\$104.93
SODDY-DAISY	11,530	\$104.89
OAKLAND	1,279	\$104.87
SAULSBURY	99	\$104.84
LIBERTY	367	\$104.84
KINGSTON SPRINGS	2,773	\$104.52
SARDIS	445	\$104.48
BAXTER	1,279	\$104.30
MARTIN	10,515	\$104.04
RIDGELY	1,667	\$104.03
CORNERSVILLE	962	\$103.96
ARDMORE	1,082	\$103.88
ETOWAH	3,663	\$103.78
JEFFERSON CITY	7,760	\$103.71
OBION	1,134	\$103.68
ALLARDT	642	\$103.61
NEW TAZEWELL	2,871	\$103.40
MCEWEN	1,702	\$103.29
PORTLAND	8,462	\$103.21
ETHRIDGE	536	\$103.21
SOUTH FULTON	2,517	\$103.19
CHARLOTTE	1,153	\$103.14
AUBURNTOWN	252	\$103.12
ERIN	1,490	\$103.12
WINFIELD	911	\$103.10
HENRY	520	\$103.07
MOUNT PLEASANT	4,491	\$103.06
CARYVILLE	2,258	\$102.92
PARROTTSVILLE	266	\$102.90
LAKESITE	1,845	\$102.90

Appendix I**Total Per Capita State-Shared Tax Distributions by City, Ordered from High to Low, for FY 2003 (cont.)**

City	Population	Per Capita Shared Tax Distribution
SUNBRIGHT	577	\$102.86
OLIVER SPRINGS	3,303	\$102.64
BELLS	2,313	\$102.47
ROCKWOOD	5,882	\$102.39
STANTONVILLE	312	\$102.35
CHURCH HILL	5,916	\$102.35
MILAN	7,821	\$102.31
HOHENWALD	3,754	\$102.30
MICHIE	647	\$102.28
NEWBERN	2,988	\$102.22
EAST RIDGE	20,640	\$102.08
JELLICO	2,448	\$102.04
BARTLETT	40,543	\$102.04
MAYNARDVILLE	1,782	\$102.04
RAMER	354	\$101.99
PARSONS	2,503	\$101.95
BOLIVAR	5,802	\$101.87
DYER	2,406	\$101.86
GATES	901	\$101.83
RUTHERFORD	1,272	\$101.82
PIPERTON	589	\$101.81
MAURY CITY	803	\$101.73
MURFREESBORO	75,083	\$101.54
WATERTOWN	1,361	\$101.47
WESTMORELAND	2,093	\$101.42
FRIENDSVILLE	890	\$101.41
LAKE CITY	1,888	\$101.35
ENGLEWOOD	1,590	\$101.34
TRIMBLE	728	\$101.30
PHILADELPHIA	533	\$101.30
WILLISTON	341	\$101.30
NOLENSVILLE	3,099	\$101.16
HENDERSON	5,877	\$101.07
GREENBRIER	4,940	\$101.03
BLUFF CITY	1,559	\$101.02
WHITWELL	1,660	\$100.99
CALHOUN	496	\$100.99
BRIGHTON	1,719	\$100.87
HOLLOW ROCK	963	\$100.79
PEGRAM	2,146	\$100.74
HORNSBY	306	\$100.66
NEW JOHNSONVILLE	1,905	\$100.61

Appendix I**Total Per Capita State-Shared Tax Distributions by City, Ordered from High to Low, for FY 2003 (cont.)**

City	Population	Per Capita Shared Tax Distribution
HORNBEAK	435	\$100.59
WHITE BLUFF	2,353	\$100.57
GIBSON	305	\$100.46
CHARLESTON	630	\$100.38
MEDINA	1,066	\$100.31
ATWOOD	1,000	\$100.31
SOUTH CARTHAGE	1,302	\$100.25
SHARON	988	\$100.24
TROY	1,273	\$100.21
SURGOINSVILLE	1,484	\$100.19
TUSCULUM STATION	2,010	\$100.17
SPRING HILL	7,715	\$100.13
RIVES	331	\$100.05
FAIRVIEW	5,800	\$100.04
HICKORY WITHE	2,574	\$99.94
HARROGATE	4,425	\$99.90
HUNTLAND	916	\$99.89
MOSHEIM	1,754	\$99.88
MEDON	269	\$99.87
SCOTTS HILL	911	\$99.86
OAKDALE	244	\$99.85
IRON CITY	365	\$99.85
DOWELLTOWN	302	\$99.84
UNICOI	3,519	\$99.70
CROSS PLAINS	1,381	\$99.60
TRACEY CITY	1,679	\$99.58
BEAN STATION	2,599	\$99.57
HENNING	1,218	\$99.56
PLEASANT VIEW	2,934	\$99.53
BRUCETON	1,554	\$99.53
CUMBERLAND GAP	204	\$99.44
BRADEN	271	\$99.38
MOUNT CARMEL	4,795	\$99.26
BLAINE	1,585	\$99.15
RIDGETOP	1,083	\$99.09
YORKVILLE	293	\$99.07
WOODLAND MILLS	385	\$99.02
COOPERTOWN	3,510	\$99.00
RED BANK	12,418	\$98.91
WATAUGA	403	\$98.91
WHITE HOUSE	7,297	\$98.84
THREE WAY	1,375	\$98.78

Appendix I**Total Per Capita State-Shared Tax Distributions by City, Ordered from High to Low, for FY 2003 (cont.)**

City	Population	Per Capita Shared Tax Distribution
MINOR HILL	437	\$98.77
SNEEDVILLE	1,257	\$98.77
COWAN	1,770	\$98.74
GADSDEN	553	\$98.73
SLAYDEN	227	\$98.59
FINGER	350	\$98.56
ALGOOD	2,942	\$98.51
BURLISON	453	\$98.46
HICKORY VALLEY	136	\$98.31
COALMONT	948	\$98.26
MUNFORD	4,938	\$98.11
SPENCER	1,713	\$98.10
KIMBALL	1,312	\$98.07
MILLEDGEVILLE	287	\$98.04
CRUMP	1,521	\$98.02
SALTILLO	408	\$97.98
ELKTON	510	\$97.98
TREZEVANT	916	\$97.93
TENNESSEE RIDGE	1,334	\$97.91
ALTAMONT	1,136	\$97.87
PITTMAN CENTER	477	\$97.83
LAKEWOOD	2,341	\$97.82
CLARKSBURG	285	\$97.78
PALMER	726	\$97.77
GRAYSVILLE	1,411	\$97.77
GILT EDGE	489	\$97.76
MILLERSVILLE	5,308	\$97.76
ST JOSEPH	829	\$97.75
PARKERS CROSSROAD	284	\$97.73
GALLAWAY	666	\$97.71
CENTERTOWN	257	\$97.71
SAMBURG	260	\$97.70
BAILEYTON	504	\$97.63
PLAINVIEW	1,866	\$97.56
GUYS	483	\$97.55
NEW HOPE	1,043	\$97.54
EASTVIEW	618	\$97.53
SILERTON	60	\$97.49
GRUETLI-LAAGER	1,867	\$97.46
MITCHELLVILLE	207	\$97.45
CRAB ORCHARD	838	\$97.44
KENTON	1,306	\$97.40

Appendix I**Total Per Capita State-Shared Tax Distributions by City, Ordered from High to Low, for FY 2003 (cont.)**

City	Population	Per Capita Shared Tax Distribution
MIDTOWN	1,306	\$97.39
ORLINDA	594	\$97.36
BEERSHEBA SPRINGS	553	\$97.36
ORME	124	\$97.36
ENVILLE	230	\$97.34
LORETTO	1,770	\$97.04
WHITEVILLE	4,539	\$96.99
JACKSBORO	1,887	\$96.97
BENTON	1,205	\$96.56
TIPTONVILLE	4,765	\$96.36
ATOKA	4,599	\$93.72
GARLAND	328	\$93.63
POWELLS CROSSROAD	1,347	\$92.95
LAKELAND	7,464	\$92.64
DOYLE	564	\$90.93
MOUNT JULIET	15,610	\$89.04
CLIFTON	3,046	\$88.97
CHAPEL HILL	1,182	\$88.64
LAVERGNE	21,561	\$86.65
SMYRNA	29,983	\$86.48
LUTTRELL	1,174	\$79.47
AVERAGE	9,269	\$118.48

Data from the Tennessee Departments of Revenue and Economic & Community Development

Appendix II
State Sales Tax Generated: Total, Per Capita, and “Return”
Ordered by Total from High to Low, for FY 2003

“Return on state sales tax generated” is the percentage of state sales tax generated by the city that is returned to the city in its state-shared sales tax distribution. It is figured as: state-shared sales tax distribution divided by state sales tax generated.

City	State Sales Tax Generated	Per Capita State Sales Tax Generated	Return on State Sales Tax Generated
Memphis	\$579,098,344	\$854.91	7.41%
Nashville	\$551,805,687	\$1,391.05	4.55%
Knoxville	\$341,903,880	\$1,966.21	3.05%
Chattanooga	\$250,133,257	\$1,608.02	3.87%
Murfreesboro	\$109,676,473	\$1,460.74	3.77%
Franklin	\$108,473,381	\$2,592.45	2.32%
Jackson	\$95,064,511	\$1,593.89	3.86%
Johnson City Combined	\$93,068,903	\$1,672.34	3.58%
Clarksville	\$89,663,437	\$866.69	6.93%
Kingsport Combined	\$81,897,831	\$1,823.80	3.29%
Sevierville	\$57,700,948	\$4,640.58	1.47%
Cookeville	\$52,379,634	\$2,010.58	2.87%
Alcoa	\$51,703,241	\$6,685.19	0.90%
Morristown	\$51,099,616	\$2,046.85	2.93%
Brentwood	\$48,863,382	\$1,827.15	3.25%
Oak Ridge Combined	\$48,332,887	\$1,764.81	3.40%
Cleveland	\$46,197,744	\$1,242.14	4.83%
Bartlett	\$44,465,318	\$1,096.74	5.47%
Pigeon Forge	\$43,111,534	\$8,335.56	8.05%
Lebanon	\$41,024,248	\$2,026.49	2.97%
Columbia	\$40,642,797	\$1,229.55	4.88%
Collierville	\$33,719,063	\$910.24	6.53%
Maryville	\$29,344,765	\$1,269.24	4.73%
Germantown	\$28,957,664	\$720.29	8.29%
Crossville	\$28,761,657	\$3,202.50	1.87%
Greeneville	\$27,597,487	\$1,806.83	3.32%
Dickson	\$26,960,684	\$2,201.95	2.73%
Bristol	\$26,528,710	\$1,050.27	5.62%
Hendersonville	\$26,452,291	\$647.56	9.27%
Gatlinburg	\$26,439,680	\$7,817.76	7.87%
Smyrna	\$26,228,105	\$874.77	5.85%
Gallatin	\$22,873,424	\$984.65	6.10%
Athens	\$22,804,102	\$1,710.22	3.51%

Appendix II
State Sales Tax Generated: Total, Per Capita, and "Return"
Ordered by Total from High to Low, for FY 2003 (cont.)

City	State Sales Tax Generated	Per Capita State Sales Tax Generated	Return on State Sales Tax Generated
Tullahoma Combined	\$22,443,350	\$1,247.27	4.81%
Dyersburg	\$21,663,931	\$1,241.34	4.84%
Goodlettsville Combined	\$20,461,776	\$1,484.89	4.04%
Springfield	\$20,201,474	\$1,409.54	4.26%
Shelbyville	\$17,947,105	\$1,114.38	5.39%
McMinnville	\$17,398,299	\$1,361.05	4.41%
Lawrenceburg	\$17,176,385	\$1,591.00	3.77%
Lenoir City	\$16,901,074	\$2,478.53	2.42%
Paris	\$16,695,113	\$1,710.04	3.51%
Union City	\$16,372,682	\$1,505.40	3.99%
Elizabethton	\$16,075,712	\$1,146.87	5.21%
Millington	\$14,684,542	\$1,194.74	5.85%
Manchester	\$14,075,674	\$1,697.09	3.54%
LaVergne	\$13,159,320	\$610.33	8.53%
Fayetteville	\$12,959,019	\$1,852.88	3.24%
Newport	\$12,639,750	\$1,745.34	3.44%
Clinton	\$12,408,062	\$1,318.74	4.55%
East Ridge	\$11,990,190	\$580.92	10.34%
Covington	\$11,791,540	\$1,393.30	4.31%
Lexington	\$11,496,468	\$1,555.05	3.86%
Farragut	\$11,221,019	\$633.24	9.48%
Jefferson City	\$10,939,385	\$1,409.71	4.26%
Lewisburg	\$10,829,387	\$1,039.99	5.77%
Savannah	\$10,561,322	\$1,518.96	3.95%
Pulaski	\$10,191,954	\$1,294.87	4.64%
Winchester	\$10,058,320	\$1,372.40	4.37%
Sparta	\$9,410,612	\$1,870.90	3.19%
Martin	\$8,908,061	\$847.18	7.09%
Berry Hill	\$8,886,769	\$13,185.12	0.46%
Mt Juliet	\$8,634,936	\$553.17	9.64%
Harriman	\$8,499,310	\$1,260.28	4.76%
Rogersville	\$8,287,655	\$1,954.64	3.07%
Sweetwater Combined	\$7,762,756	\$1,389.68	4.32%
Madisonville	\$7,725,108	\$1,961.19	3.06%
Dayton	\$7,713,343	\$1,248.11	4.81%
LaFollette	\$7,701,744	\$965.49	6.22%
Rockwood	\$7,262,675	\$1,234.73	4.86%
Humboldt Combined	\$7,180,177	\$758.44	7.92%

Appendix II
State Sales Tax Generated: Total, Per Capita, and "Return"
Ordered by Total from High to Low, for FY 2003 (cont.)

City	State Sales Tax Generated	Per Capita State Sales Tax Generated	Return on State Sales Tax Generated
Brownsville	\$7,046,931	\$655.65	9.16%
Lafayette	\$6,942,787	\$1,787.08	3.36%
Milan	\$6,895,471	\$881.66	6.80%
Kimball	\$6,427,785	\$4,899.23	1.23%
Ripley	\$6,309,516	\$804.37	7.46%
Oneida	\$6,187,152	\$1,711.52	3.51%
Henderson	\$6,111,094	\$1,039.83	5.74%
Selmer	\$5,755,850	\$1,267.53	4.74%
Bolivar	\$5,442,414	\$938.02	6.40%
Smithville	\$5,415,412	\$1,355.89	4.43%
Camden	\$5,330,566	\$1,392.52	4.31%
Soddy Daisy	\$5,294,540	\$459.20	13.08%
Ashland City	\$5,169,115	\$1,419.70	4.23%
Livingston	\$4,961,626	\$1,418.42	4.23%
Jacksboro	\$4,934,645	\$2,615.07	2.30%
Huntingdon	\$4,700,739	\$1,080.88	5.55%
Erwin	\$4,632,518	\$798.99	7.27%
Red Bank	\$4,573,008	\$368.26	16.30%
Carthage	\$4,480,816	\$1,990.59	3.02%
Lakeland	\$4,337,533	\$581.13	9.50%
Decherd	\$4,266,984	\$1,899.81	3.16%
Portland	\$4,052,588	\$478.92	12.54%
Collegedale	\$3,970,262	\$609.50	9.85%
Trenton	\$3,948,651	\$843.19	7.12%
New Tazewell	\$3,871,244	\$1,348.40	4.45%
Waverly	\$3,867,147	\$952.73	6.25%
Jamestown	\$3,845,647	\$2,091.16	2.87%
Spring Hill Combined	\$3,790,309	\$491.29	12.22%
McKenzie Combined	\$3,615,142	\$682.75	8.79%
White House Combined	\$3,608,587	\$494.53	12.01%
Loudon City	\$3,527,022	\$787.99	7.62%
Kingston	\$3,503,041	\$665.47	9.02%
Centerville	\$3,424,324	\$902.80	6.65%
Mountain City	\$3,372,500	\$1,349.00	4.43%
Jonesborough	\$3,371,980	\$781.64	7.42%
Hohenwald	\$3,353,710	\$893.37	6.72%
Dunlap	\$3,321,951	\$796.06	7.54%
South Pittsburg	\$3,258,660	\$988.97	6.07%

Appendix II
State Sales Tax Generated: Total, Per Capita, and "Return"
Ordered by Total from High to Low, for FY 2003 (cont.)

City	State Sales Tax Generated	Per Capita State Sales Tax Generated	Return on State Sales Tax Generated
Parsons	\$3,171,182	\$1,266.95	4.64%
Dandridge	\$3,156,132	\$1,518.83	3.95%
Somerville	\$3,044,060	\$1,139.67	5.24%
Etowah	\$2,444,405	\$667.32	9.00%
Decatur	\$2,298,077	\$1,647.37	3.64%
Jasper	\$2,252,723	\$700.91	8.57%
Church Hill	\$2,187,097	\$369.69	16.24%
Bluff City	\$2,013,309	\$1,291.41	4.65%
Oakland	\$1,999,867	\$1,563.62	3.84%
Woodbury	\$1,976,386	\$814.00	7.38%
Dresden	\$1,975,303	\$691.87	8.68%
Fairview	\$1,962,129	\$338.30	17.75%
Tazewell	\$1,957,480	\$904.15	6.64%
Oliver Springs Combined	\$1,838,951	\$556.75	10.78%
Munford	\$1,836,856	\$371.98	15.39%
Mt Pleasant	\$1,831,278	\$407.77	14.72%
Waynesboro	\$1,824,455	\$818.88	7.33%
Monteagle Combined	\$1,810,175	\$1,462.18	4.11%
White Pine Combined	\$1,641,909	\$822.19	7.30%
Lake City Combined	\$1,640,525	\$868.92	6.91%
Atoka	\$1,604,806	\$348.95	15.70%
Hartsville	\$1,590,519	\$664.10	9.04%
Wartburg	\$1,586,379	\$1,782.45	3.37%
Dyer	\$1,539,568	\$639.89	9.38%
Algood	\$1,521,299	\$517.10	11.61%
Maynardville	\$1,496,914	\$840.02	7.15%
Lakesite	\$1,493,918	\$809.71	7.42%
Arlington	\$1,484,564	\$577.88	10.39%
Westmoreland	\$1,469,156	\$701.94	8.55%
Dover	\$1,468,014	\$1,018.04	5.90%
Pleasantview	\$1,433,575	\$488.61	12.29%
Signal Mtn	\$1,377,560	\$178.32	33.56%
Pikeville	\$1,371,533	\$770.09	7.80%
Caryville	\$1,304,597	\$577.77	10.39%
Erin	\$1,258,925	\$844.92	7.11%
Adamsville Combined	\$1,247,720	\$629.21	9.54%
Gainesboro	\$1,245,556	\$1,417.01	4.24%
Mosheim	\$1,244,596	\$709.58	8.46%

Appendix II
State Sales Tax Generated: Total, Per Capita, and "Return"
Ordered by Total from High to Low, for FY 2003 (cont.)

City	State Sales Tax Generated	Per Capita State Sales Tax Generated	Return on State Sales Tax Generated
Vonore	\$1,231,324	\$1,059.66	5.67%
Kingston Springs	\$1,223,464	\$441.21	13.61%
Ardmore	\$1,219,085	\$1,126.70	5.33%
Newbern	\$1,207,492	\$404.11	14.86%
Bean Station	\$1,195,232	\$459.88	13.01%
Monterey	\$1,184,642	\$436.01	13.77%
Mt Carmel	\$1,177,105	\$245.49	24.46%
Millersville Combined	\$1,167,500	\$219.95	27.30%
White Bluff	\$1,161,201	\$493.50	12.07%
Jellico	\$1,125,667	\$459.83	13.06%
Celina	\$1,120,708	\$812.70	7.39%
Spring City	\$1,109,937	\$548.12	10.95%
Alamo	\$1,084,106	\$453.22	13.25%
Townsend	\$1,077,578	\$4,416.30	1.36%
Ducktown	\$1,060,365	\$2,483.29	2.42%
Gordonsville	\$1,043,214	\$978.62	6.14%
Charlotte	\$1,036,114	\$898.62	6.68%
Loretto	\$1,002,267	\$566.25	9.97%
Tracy City	\$977,023	\$581.91	10.32%
Benton	\$975,878	\$809.86	7.00%
Halls	\$965,430	\$417.75	14.37%
Linden	\$961,148	\$946.94	6.34%
Tellico Plains	\$887,757	\$1,033.48	5.81%
Greenfield	\$852,821	\$386.24	15.55%
Whitwell	\$841,759	\$507.08	11.84%
Rutledge	\$839,987	\$707.66	8.48%
Greenbrier	\$806,641	\$163.29	36.77%
Cross Plains	\$797,772	\$577.68	10.39%
Harrogate	\$791,628	\$178.90	33.56%
Middleton	\$775,744	\$1,157.83	5.19%
South Carthage	\$760,809	\$584.34	10.28%
Sneedville	\$737,101	\$586.40	10.24%
Brighton	\$728,302	\$423.68	14.17%
Midtown	\$711,963	\$545.15	11.01%
Belle Meade	\$709,839	\$241.20	24.89%
Morrison	\$702,649	\$1,027.26	5.84%
Chapel Hill	\$695,553	\$588.45	8.14%
Troy	\$693,059	\$544.43	11.03%

Appendix II
State Sales Tax Generated: Total, Per Capita, and "Return"
Ordered by Total from High to Low, for FY 2003 (cont.)

City	State Sales Tax Generated	Per Capita State Sales Tax Generated	Return on State Sales Tax Generated
New Johnsonville	\$692,226	\$363.37	16.52%
South Fulton	\$691,184	\$274.61	21.86%
Scotts Hill Combined	\$660,239	\$724.74	8.28%
Collinwood	\$659,255	\$643.80	9.33%
Unicoi City	\$656,994	\$186.70	32.16%
Bells	\$646,454	\$279.49	21.37%
Eagleville	\$637,818	\$1,374.61	4.37%
Decaturville	\$610,163	\$710.32	8.45%
McEwen	\$596,020	\$350.19	17.15%
Nolensville	\$573,366	\$185.02	32.45%
Tiptonville	\$571,469	\$119.93	48.00%
Whiteville	\$562,497	\$123.93	47.20%
Byrdstown	\$561,955	\$622.32	9.65%
Huntsville	\$559,225	\$501.10	11.86%
Three Way	\$552,848	\$402.07	14.93%
Forest Hills	\$540,584	\$114.77	52.31%
Kenton Combined	\$532,568	\$407.79	14.72%
Ethridge	\$513,888	\$958.75	6.26%
Lynchburg	\$513,278	\$1,032.75	5.81%
Parkers Crossroads	\$493,689	\$1,738.34	3.45%
Baileyton	\$473,001	\$938.49	6.40%
Lakewood	\$459,816	\$196.42	30.57%
Rockford	\$453,963	\$532.82	11.27%
Spencer	\$449,294	\$262.28	22.89%
Winfield	\$445,178	\$488.67	12.29%
Clifton	\$436,973	\$143.46	37.09%
Gruetli-Laager	\$426,917	\$228.66	26.26%
Watauga Combined	\$425,164	\$1,055.00	5.69%
Red Boiling Spring	\$416,907	\$407.53	14.73%
Pittman Ctr	\$413,441	\$866.75	6.93%
Blaine	\$396,873	\$250.39	23.98%
Cornersville	\$386,286	\$401.54	14.95%
Huntland	\$380,212	\$415.08	14.47%
Baxter	\$379,485	\$296.70	20.24%
Rutherford	\$374,133	\$294.13	20.41%
Gallaway	\$370,449	\$556.23	10.79%
Gleason	\$367,856	\$251.44	23.88%
Crab Orchard	\$359,614	\$429.13	13.99%

Appendix II
State Sales Tax Generated: Total, Per Capita, and "Return"
Ordered by Total from High to Low, for FY 2003 (cont.)

City	State Sales Tax Generated	Per Capita State Sales Tax Generated	Return on State Sales Tax Generated
New Johnsonville	\$692,226	\$363.37	16.52%
South Fulton	\$691,184	\$274.61	21.86%
Scotts Hill Combined	\$660,239	\$724.74	8.28%
Collinwood	\$659,255	\$643.80	9.33%
Unicoi City	\$656,994	\$186.70	32.16%
Bells	\$646,454	\$279.49	21.37%
Eagleville	\$637,818	\$1,374.61	4.37%
Decaturville	\$610,163	\$710.32	8.45%
McEwen	\$596,020	\$350.19	17.15%
Nolensville	\$573,366	\$185.02	32.45%
Tiptonville	\$571,469	\$119.93	48.00%
Whiteville	\$562,497	\$123.93	47.20%
Byrdstown	\$561,955	\$622.32	9.65%
Huntsville	\$559,225	\$501.10	11.86%
Three Way	\$552,848	\$402.07	14.93%
Forest Hills	\$540,584	\$114.77	52.31%
Kenton Combined	\$532,568	\$407.79	14.72%
Ethridge	\$513,888	\$958.75	6.26%
Lynchburg	\$513,278	\$1,032.75	5.81%
Parkers Crossroads	\$493,689	\$1,738.34	3.45%
Baileyton	\$473,001	\$938.49	6.40%
Lakewood	\$459,816	\$196.42	30.57%
Rockford	\$453,963	\$532.82	11.27%
Spencer	\$449,294	\$262.28	22.89%
Winfield	\$445,178	\$488.67	12.29%
Clifton	\$436,973	\$143.46	37.09%
Gruetli-Laager	\$426,917	\$228.66	26.26%
Watauga Combined	\$425,164	\$1,055.00	5.69%
Red Boiling Spring	\$416,907	\$407.53	14.73%
Pittman Ctr	\$413,441	\$866.75	6.93%
Blaine	\$396,873	\$250.39	23.98%
Cornersville	\$386,286	\$401.54	14.95%
Huntland	\$380,212	\$415.08	14.47%
Baxter	\$379,485	\$296.70	20.24%
Rutherford	\$374,133	\$294.13	20.41%
Gallaway	\$370,449	\$556.23	10.79%
Gleason	\$367,856	\$251.44	23.88%
Crab Orchard	\$359,614	\$429.13	13.99%

Appendix II
State Sales Tax Generated: Total, Per Capita, and "Return"
Ordered by Total from High to Low, for FY 2003 (cont.)

City	State Sales Tax Generated	Per Capita State Sales Tax Generated	Return on State Sales Tax Generated
Coopertown	\$354,027	\$100.86	58.84%
Tennessee Ridge	\$347,825	\$260.74	23.03%
Big Sandy	\$347,670	\$671.18	8.95%
Estill Springs	\$346,120	\$150.88	39.59%
Charleston	\$332,995	\$528.56	11.36%
Norris	\$330,103	\$228.29	26.30%
Copperhill	\$329,121	\$644.07	9.32%
Atwood	\$316,069	\$316.07	19.00%
Pegram	\$313,510	\$146.09	41.10%
New Market	\$311,657	\$252.56	23.77%
Louisville	\$304,067	\$147.18	40.51%
Ridgetop Combined	\$288,230	\$266.14	22.56%
Alexandria	\$286,822	\$352.36	17.04%
Moscow	\$285,728	\$677.08	8.87%
Medina	\$281,053	\$263.65	22.60%
Henning	\$270,900	\$222.41	26.53%
Graysville	\$270,889	\$191.98	31.27%
Niota	\$268,685	\$344.03	17.45%
Cowan	\$268,060	\$151.45	39.65%
Surgoinsville	\$267,593	\$180.32	33.30%
Hornbeak	\$263,353	\$605.41	9.92%
Walden	\$258,160	\$131.71	45.58%
St Joseph	\$253,336	\$305.59	19.65%
Burns	\$252,078	\$184.54	32.54%
Crump	\$251,261	\$165.19	36.35%
Orlinda	\$246,876	\$415.62	14.45%
Obion	\$243,819	\$215.01	27.93%
Lobelville	\$243,442	\$266.06	22.57%
Englewood	\$233,698	\$146.98	40.85%
Rossville	\$227,031	\$597.45	10.05%
Maury City	\$225,892	\$281.31	21.12%
Tusculum	\$225,270	\$112.07	53.56%
Bradford	\$222,074	\$199.53	30.09%
Sharon	\$221,996	\$224.69	26.72%
Coalmont	\$214,265	\$226.02	26.56%
Cumberland City	\$210,081	\$664.81	9.03%
Liberty	\$208,421	\$567.90	10.57%
Watertown	\$206,481	\$151.71	39.49%

Appendix II
State Sales Tax Generated: Total, Per Capita, and "Return"
Ordered by Total from High to Low, for FY 2003 (cont.)

City	State Sales Tax Generated	Per Capita State Sales Tax Generated	Return on State Sales Tax Generated
Bulls Gap	\$200,675	\$281.06	21.36%
Grand Junction Combined	\$200,404	\$665.79	9.02%
Altamont	\$198,230	\$174.50	34.41%
Ridgely	\$196,388	\$117.81	50.97%
Friendsville	\$194,100	\$218.09	27.53%
Eastview	\$190,120	\$307.64	19.52%
Cumberland Gap	\$179,104	\$877.96	6.84%
Elkton	\$178,261	\$349.53	17.18%
Bethel Springs	\$172,569	\$226.17	26.55%
Piperton	\$171,472	\$291.12	20.62%
Bruceston	\$167,719	\$107.93	55.63%
Mason	\$167,427	\$153.74	39.05%
Trezevant	\$165,930	\$181.15	32.60%
Lookout Mtn	\$165,879	\$82.94	72.39%
Michie	\$165,801	\$256.26	23.43%
Luttrell	\$165,093	\$140.62	33.28%
Calhoun	\$159,938	\$322.46	18.62%
Allardt	\$155,376	\$242.02	24.81%
Puryear	\$148,080	\$222.01	27.04%
Minor Hill	\$145,438	\$332.81	18.04%
Samburg	\$142,947	\$549.80	10.92%
Clarksburg	\$139,231	\$488.53	12.29%
Thompson Station	\$139,069	\$108.39	55.39%
Bell Buckle	\$133,466	\$329.55	18.17%
Friendship	\$131,134	\$215.68	27.84%
Hollow Rock	\$125,250	\$130.06	46.16%
Plainview	\$124,410	\$66.67	90.06%
Palmer	\$118,642	\$163.42	36.74%
Pleasant Hill	\$118,094	\$217.08	27.66%
Hickory Valley	\$116,929	\$859.77	6.98%
Lynnville	\$116,687	\$288.12	20.58%
Petersburg Combined	\$101,440	\$174.90	34.33%
Williston	\$96,557	\$283.16	21.20%
Greenback	\$94,664	\$99.23	60.51%
Gates	\$94,157	\$104.50	57.45%
Sunbright	\$91,984	\$159.42	37.66%
Wartrace	\$86,991	\$158.74	37.82%
Auburntown	\$86,248	\$342.25	17.54%

Appendix II
State Sales Tax Generated: Total, Per Capita, and "Return"
Ordered by Total from High to Low, for FY 2003 (cont.)

City	State Sales Tax Generated	Per Capita State Sales Tax Generated	Return on State Sales Tax Generated
Gibson	\$83,821	\$274.82	21.85%
Adams	\$80,576	\$142.36	42.18%
Baneberry	\$79,646	\$217.61	27.59%
Saulsbery	\$77,627	\$784.11	7.66%
Milledgeville Combined	\$77,600	\$270.38	22.21%
Henry	\$76,454	\$147.03	40.84%
Powells Crossroads	\$73,320	\$54.43	105.31%
Toone	\$62,746	\$190.14	31.58%
Ramer	\$61,971	\$175.06	34.30%
New Hope	\$60,553	\$58.06	103.42%
Vanleer	\$58,084	\$187.37	32.04%
Burlison	\$55,371	\$122.23	49.12%
Cedar Hill	\$53,637	\$179.99	33.36%
Iron City Combined	\$52,632	\$144.20	41.98%
Hickory Withe	\$51,592	\$20.04	299.56%
Saltillo	\$46,496	\$113.96	52.69%
Trimble	\$46,308	\$63.61	94.39%
Stanton	\$44,220	\$71.90	83.50%
McLemorsville	\$42,677	\$164.78	36.44%
Philadelphia	\$41,037	\$76.99	77.98%
Cottage Grove	\$39,674	\$409.01	14.68%
Parrottsville	\$38,758	\$145.71	32.07%
Beersheba Springs	\$36,465	\$65.94	91.05%
Oak Hill	\$35,071	\$7.81	769.20%
Gadsden	\$33,680	\$60.90	98.58%
Hornsby	\$33,019	\$107.91	55.64%
Doyle	\$28,723	\$50.93	109.74%
Gilt Edge	\$24,266	\$49.62	120.99%
Viola	\$23,564	\$182.67	32.87%
Garland	\$22,301	\$67.99	83.19%
Enville	\$21,233	\$92.32	65.04%
Stantonville	\$20,084	\$64.37	93.27%
Slayden	\$16,267	\$71.66	82.48%
Woodland Mills	\$15,692	\$40.76	145.66%
Braden	\$15,181	\$56.02	107.18%
Finger	\$11,416	\$32.62	184.08%
Medon	\$9,786	\$36.38	161.01%
Normandy	\$9,593	\$68.04	88.25%

Appendix II
State Sales Tax Generated: Total, Per Capita, and "Return"
Ordered by Total from High to Low, for FY 2003 (cont.)

City	State Sales Tax Generated	Per Capita State Sales Tax Generated	Return on State Sales Tax Generated
Guys	\$8,066	\$16.70	359.53%
Oakdale	\$7,112	\$29.15	205.99%
LaGrange	\$6,673	\$49.07	122.37%
Yorkville	\$5,908	\$20.16	297.77%
Sardis	\$5,140	\$11.55	519.81%
Dowelltown	\$5,035	\$16.67	360.13%
Ridgeside	\$4,869	\$12.52	479.69%
Rives	\$1,838	\$5.55	1081.27%
Mitchellville	\$1,646	\$7.95	755.08%
Centertown	\$1,098	\$4.27	1405.34%
Orme	\$314	\$2.53	2371.06%
Silerton*	\$1	\$0.02	360250.00%
Total for all Tennessee Cities	\$3,952,275,998	\$1,221.80	5.12%

* Silerton generated no state sales tax. \$1 was entered to allow a percentage to be calculated.

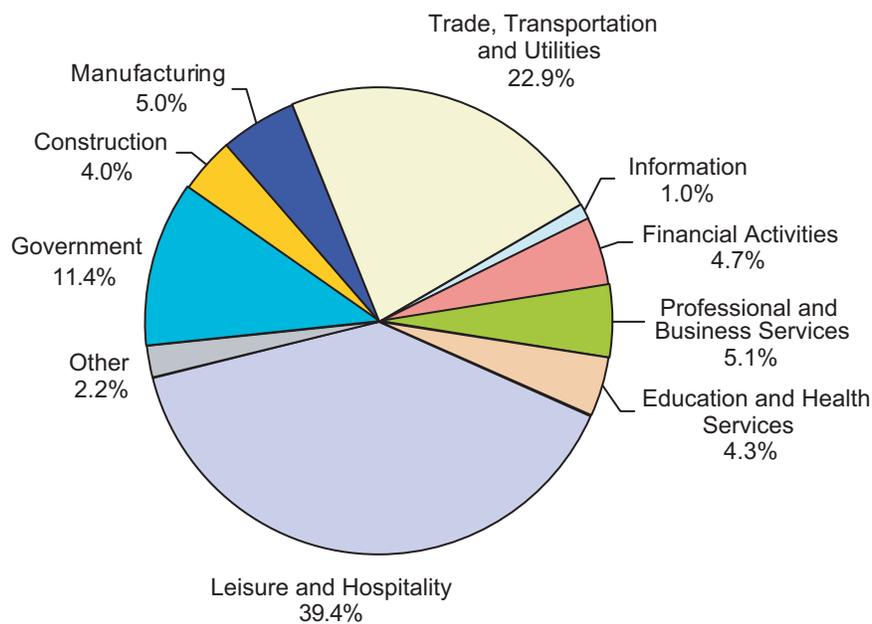
Data from the Tennessee Departments of Revenue and Economic & Community Development.

Appendix III

Sevier County Employment by Industry, 2003

Employment numbers are “ES-202 Employment”, which counts all employees covered by unemployment insurance. The Department of Labor estimates that this covers between 97.5% and 98% of all employment. The largest groups not included are students working on college campuses, adjunct faculty members, and federal railroad employees.

Sevier County Employment by Industry, 2003



Data Source: U.S. Department of Labor.

Appendix IV
Gatlinburg and Pigeon Forge Local Tax Revenue, 1994 - 2003¹

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Gatlinburg Total	\$11,038,115	\$11,772,756	\$12,555,230	\$12,547,845	\$13,164,848	\$13,787,424	\$14,448,219	\$15,401,583	\$16,431,363	\$16,587,848
Local Property Tax	\$613,093	\$556,433	\$553,767	\$568,937	\$598,291	\$596,854	\$568,053	\$617,200	\$650,286	\$716,319
Local Sales Tax*	\$3,285,317	\$3,574,560	\$3,807,724	\$3,838,801	\$4,015,158	\$4,209,080	\$4,434,000	\$4,846,953	\$5,198,167	\$5,354,200
Local Gross Receipts Tax	\$3,358,012	\$3,600,407	\$3,875,654	\$3,858,353	\$4,064,512	\$4,264,817	\$4,527,513	\$4,854,169	\$5,265,967	\$5,217,684
Business Tax Act	\$243,021	\$278,501	\$305,417	\$308,403	\$309,356	\$328,449	\$356,944	\$378,789	\$385,189	\$417,128
Restaurant Tax	\$891,822	\$910,410	\$1,018,740	\$1,018,632	\$1,053,557	\$1,083,169	\$1,153,652	\$1,221,104	\$1,298,799	\$1,281,104
Hotel/Motel Tax	\$2,646,850	\$2,852,445	\$2,993,928	\$2,954,719	\$3,123,974	\$3,305,055	\$3,408,057	\$3,483,368	\$3,632,955	\$3,601,413
Amusement Tax*										
Pigeon Forge Total	\$14,004,274	\$15,599,528	\$16,110,403	\$17,073,153	\$18,408,316	\$19,066,102	\$19,455,569	\$19,948,420	\$20,605,123	\$20,826,001
Local Property Tax	\$344,877	\$361,647	\$383,698	\$399,509	\$418,776	\$435,232	\$455,254	\$539,565	\$546,096	\$564,954
Local Sales Tax	\$5,859,354	\$6,618,913	\$6,769,587	\$7,152,643	\$7,687,679	\$7,987,225	\$8,144,321	\$8,087,809	\$8,382,798	\$8,420,498
Local Gross Receipts Tax	\$4,764,157	\$5,192,999	\$5,348,080	\$5,678,769	\$6,046,490	\$6,223,121	\$6,243,517	\$6,454,525	\$6,572,417	\$6,670,728
Business Tax Act	\$405,666	\$427,287	\$476,398	\$508,625	\$530,904	\$546,585	\$674,529	\$687,452	\$701,214	\$776,281
Hotel/Motel Tax	\$1,572,397	\$1,795,225	\$1,876,979	\$1,970,902	\$2,238,722	\$2,385,688	\$2,448,866	\$2,587,831	\$2,687,564	\$2,744,412
Amusement Tax	\$1,057,823	\$1,203,457	\$1,255,661	\$1,362,705	\$1,485,745	\$1,488,251	\$1,489,082	\$1,591,238	\$1,715,034	\$1,649,128

* Gatlinburg's Amusement Tax did not begin until April 1, 2004

** One half goes to County General Purpose School Fund

Data Source: Response of the City Managers of Gatlinburg (July 1, 2004) and Pigeon Forge (July 27, 2004) to TACIR data requests.

¹ The data in this table were compiled by the cities on an accrual basis, and some categories do not match municipal audit data for the same years. Adjustments are made to revenues to comply with Government Accounting Standards Board (GASB) rules. Some areas of substantial difference include the Pigeon Forge property tax, in which the municipal audit included payments in lieu of taxes, and the Gatlinburg property tax, in which the municipal audit included amounts billed but not yet received.

Appendix V-a**2003 Weighted Average Effective Tax Rates (WAETR)****for Property per \$100 of Assessed Value, by County from Low to High**

Some of the counties have different property tax rates for their residents in different cities or in unincorporated areas. Those counties are listed once for each rate, and areas to which each rate applies to are noted. Data are from the Tennessee Comptroller of the Treasury.

COUNTY	WAETR
GIBSON	0.21
CARROLL	0.28
DEKALB	0.35
CUMBERLAND	0.40
DECATUR	0.43
SEVIER	0.43
SMITH	0.46
FAYETTE	0.47
OVERTON	0.47
UNION	0.48
HANCOCK	0.49
HARDIN	0.49
MARION	0.49
MEIGS	0.49
GREENE	0.50
JEFFERSON	0.50
LOUDON	0.50
GRAINGER	0.51
FENTRESS	0.52
LEWIS	0.52
MONROE	0.52
VAN BUREN	0.52
BLEDSON	0.53
WASHINGTON	0.53
McNAIRY	0.54
RHEA	0.54
CANNON	0.55
LINCOLN	0.56
McMINN	0.56
POLK	0.56
HENDERSON	0.57
CHESTER	0.58
PICKETT	0.58
HICKMAN	0.59
CLAIBORNE	0.60
LAUDERDALE	0.60
WEAKLEY	0.60
WHITE	0.60

Appendix V-a
2003 Weighted Average Effective Tax Rates (WAETR)
for Property per \$100 of Assessed Value
by County from Low to High (cont.)

COUNTY	WAETR
BLOUNT	0.61
CAMPBELL	0.61
HAMBLLEN	0.61
HARDEMAN	0.61
HAYWOOD	0.61
CARTER	0.62
BRADLEY	0.63
MOORE	0.63
STEWART	0.63
SUMNER	0.63
BEDFORD	0.64
HUMPHREYS	0.64
OBION	0.64
HENRY	0.65
BENTON	0.66
JACKSON	0.66
JOHNSON	0.66
ROANE	0.66
UNICOI	0.66
MADISON	0.67
WAYNE	0.67
CROCKETT	0.68
FRANKLIN	0.68
LAKE	0.68
SEQUATCHIE	0.68
HAWKINS	0.69
SCOTT	0.69
SULLIVAN	0.69
WARREN	0.69
COCKE	0.70
TROUSDALE	0.70
MAURY	0.71
PUTNAM	0.71
ROBERTSON	0.71
PERRY	0.72
CLAY	0.73
LAWRENCE	0.73
RUTHERFORD	0.73
TIPTON	0.73
MACON	0.74
DYER	0.75
WILLIAMSON	0.75

Appendix V-a
2003 Weighted Average Effective Tax Rates (WAETR)
for Property per \$100 of Assessed Value
by County from Low to High (cont.)

COUNTY	WAETR
GRUNDY	0.77
WILSON	0.77
HOUSTON	0.80
DICKSON	0.81
CHEATHAM	0.83
MARSHALL	0.83
GILES	0.85
KNOX	0.87
MONTGOMERY	0.87
COFFEE	0.88
ANDERSON	0.89
HAMILTON	0.92
MORGAN	0.93
SHELBY	1.14
DAVIDSON	1.20
MEAN FOR ALL COUNTIES	0.64

Data Source: Tennessee Comptroller of the Treasury.

Appendix V-b
2003 Weighted Average Effective Tax Rates (WAETR)
for Property per \$100 of Assessed Value,
by City from Low to High

Some of the cities that span more than one county have different property tax rates for their residents in different counties. Those cities are listed once for each rate, and the counties that each rate applies to are noted. Data are from the Tennessee Comptroller of the Treasury.

CITY	WEIGHTED AVERAGE EFFECTIVE TAX RATE
LIBERTY	\$0.39
GATLINBURG	\$0.51
NEW HOPE	\$0.51
SCOTTS HILL (DECATUR COUNTY)	\$0.53
OAKLAND	\$0.53
PIGEON FORGE	\$0.54
WHITWELL	\$0.55
PITTMAN CENTER	\$0.59
SEVIERVILLE	\$0.59
KIMBALL	\$0.60
SMITHVILLE	\$0.61
JASPER	\$0.62
ARDMORE (LINCOLN COUNTY)	\$0.63
PIPERTON	\$0.63
SARDIS	\$0.64
GOODLETTSVILLE (SUMNER COUNTY)	\$0.66
ALEXANDRIA	\$0.66
MADISONVILLE	\$0.66
NORMANDY	\$0.66
BETHEL SPRINGS	\$0.67
CROSSVILLE	\$0.67
HICKORY VALLEY	\$0.67
TOONE	\$0.67
SCOTTS HILL (HENDERSON COUNTY)	\$0.69
BELL BUCKLE	\$0.69
HORNSBY	\$0.69
BANEBERRY	\$0.70
SOMERVILLE	\$0.70
SOUTH PITTSBURG	\$0.70
THOMPSON STATION	\$0.70
CUMBERLAND GAP	\$0.71
NOLENSVILLE	\$0.71
ADAMSVILLE (HARDIN COUNTY)	\$0.72
SPRING HILL (WILLIAMSON COUNTY)	\$0.72
GALLAWAY	\$0.72

Appendix V-b
2003 Weighted Average Effective Tax Rates (WAETR)
for Property per \$100 of Assessed Value,
by City from Low to High (cont.)

CITY	WEIGHTED AVERAGE EFFECTIVE TAX RATE
DECATUR	\$0.73
WATAUGA	\$0.73
DAYTON	\$0.74
LYNCHBURG	\$0.74
SOUTH CARTHAGE	\$0.74
VONORE	\$0.74
MILLERSVILLE (SUMNER COUNTY)	\$0.76
CALHOUN	\$0.76
McEWEN	\$0.76
MORRISON	\$0.76
SAVANNAH	\$0.76
TELLICO PLAINS	\$0.76
LaGRANGE	\$0.77
GORDONSVILLE	\$0.78
PIKEVILLE	\$0.78
SAINT JOSEPH	\$0.78
SELMER	\$0.78
ATOKA	\$0.79
THREE WAY	\$0.79
GIBSON	\$0.80
HENDERSONVILLE	\$0.80
HORNBEAK	\$0.80
MOSCOW	\$0.80
VANLEER	\$0.80
IRON CITY (LAWRENCE COUNTY)	\$0.81
MILLERSVILLE (ROBERTSON COUNTY)	\$0.81
DUCKTOWN	\$0.81
JEFFERSON CITY	\$0.81
NEW JOHNSONVILLE	\$0.81
PARSONS	\$0.81
LORETTO	\$0.82
NIOTA	\$0.82
PURYEAR	\$0.82
BRIGHTON	\$0.83
COTTAGE GROVE	\$0.83
HUNTSVILLE	\$0.83
MITCHELLVILLE	\$0.83
ROSSVILLE	\$0.83
ADAMS	\$0.84
CEDAR HILL	\$0.84

Appendix V-b
2003 Weighted Average Effective Tax Rates (WAETR)
for Property per \$100 of Assessed Value,
by City from Low to High (cont.)

CITY	WEIGHTED AVERAGE EFFECTIVE TAX RATE
CENTERVILLE	\$0.84
DECATURVILLE	\$0.84
LEXINGTON	\$0.84
ADAMSVILLE (MCNAIRY COUNTY)	\$0.85
IRON CITY (WAYNE COUNTY)	\$0.85
BURNS	\$0.85
CARTHAGE	\$0.85
CHARLESTON	\$0.85
DANDRIDGE	\$0.85
GRAND JUNCTION (FAYETTE COUNTY)	\$0.86
WHITE PINE (JEFFERSON COUNTY)	\$0.86
CAMDEN	\$0.86
MIDDLETON	\$0.86
MUNFORD	\$0.86
PETERSBURG (LINCOLN COUNTY)	\$0.87
SPRING HILL (MAURY COUNTY)	\$0.87
SWEETWATER (MONROE COUNTY)	\$0.87
BENTON	\$0.87
CHARLOTTE	\$0.87
ESTILL SPRINGS	\$0.87
GRAYSVILLE	\$0.87
JAMESTOWN	\$0.87
STANTON	\$0.87
McKENZIE (WEAKLEY COUNTY)	\$0.88
LIVINGSTON	\$0.88
MIDTOWN	\$0.88
BYRDSTOWN	\$0.89
COPPERHILL	\$0.89
GREENFIELD	\$0.89
SURGOINSVILLE	\$0.89
RIDGETOP (ROBERTSON COUNTY)	\$0.90
RUTHERFORD	\$0.90
WAVERLY	\$0.90
BIG SANDY	\$0.91
FAIRVIEW	\$0.91
LOUDON	\$0.91
WARTRACE	\$0.91
WINCHESTER	\$0.91
GRAND JUNCTION (HARDEMAN COUNTY)	\$0.92
BRENTWOOD	\$0.92

Appendix V-b
2003 Weighted Average Effective Tax Rates (WAETR)
for Property per \$100 of Assessed Value,
by City from Low to High (cont.)

CITY	WEIGHTED AVERAGE EFFECTIVE TAX RATE
LINDEN	\$0.92
WHITE HOUSE (SUMNER COUNTY)	\$0.93
ENGLEWOOD	\$0.93
GLEASON	\$0.93
HOHENWALD	\$0.93
LAKESITE	\$0.93
LaVERGNE	\$0.93
McLEMORESVILLE	\$0.93
TREZEVANT	\$0.93
EAGLEVILLE	\$0.94
HUNTLAND	\$0.94
JELLICO	\$0.94
WALDEN	\$0.94
McKENZIE (CARROLL COUNTY)	\$0.95
ALGOOD	\$0.95
FRANKLIN	\$0.95
HENRY	\$0.95
SOUTH FULTON	\$0.95
SPRING CITY	\$0.95
CUMBERLAND CITY	\$0.96
HENDERSON	\$0.96
JONESBOROUGH	\$0.96
KINGSTON SPRING	\$0.96
LaFOLLETTE	\$0.96
MORRISTOWN	\$0.96
ONEIDA	\$0.96
TRACY CITY	\$0.96
CHURCH HILL	\$0.97
HOLLOW ROCK	\$0.97
MOUNT CARMEL	\$0.97
SMYRNA	\$0.97
WHITE BLUFF	\$0.97
KENTON (GIBSON COUNTY)	\$0.98
BOLIVAR	\$0.98
ELKTON	\$0.98
MAURY CITY	\$0.98
ROCKWOOD	\$0.98
TENNESSEE RIDGE	\$0.98
ATHENS	\$0.99
BULLS GAP	\$0.99

Appendix V-b
2003 Weighted Average Effective Tax Rates (WAETR)
for Property per \$100 of Assessed Value,
by City from Low to High (cont.)

CITY	WEIGHTED AVERAGE EFFECTIVE TAX RATE
CLIFTON	\$0.99
DOVER	\$0.99
ETOWAH	\$0.99
GAINESBORO	\$0.99
LENOIR CITY	\$0.99
OBION	\$0.99
WESTMORELAND	\$0.99
WHITEVILLE	\$0.99
ARDMORE (GILES COUNTY)	\$1.00
BRADFORD	\$1.00
KINGSTON	\$1.00
LYNNVILLE	\$1.00
WOODBURY	\$1.00
OLIVER SPRINGS (ROANE COUNTY)	\$1.01
DYER	\$1.01
GREENBRIER	\$1.01
SODDY DAISY	\$1.01
McKENZIE (HENRY COUNTY)	\$1.03
BROWNSVILLE	\$1.03
COLUMBIA	\$1.03
DRESDEN	\$1.03
GALLATIN	\$1.04
MOUNT PLEASANT	\$1.04
HARTSVILLE	\$1.05
WATERTOWN	\$1.05
HUMBOLDT (GIBSON COUNTY)	\$1.06
ALAMO	\$1.06
BELLE MEADE	\$1.06
COWAN	\$1.06
DECHERD	\$1.06
MONTEREY	\$1.06
MOUNTAIN CITY	\$1.06
CORNERSVILLE	\$1.07
ERWIN	\$1.07
LOBELVILLE	\$1.07
MEDINA	\$1.07
MILAN	\$1.07
DUNLAP	\$1.08
GATES	\$1.08
SPARTA	\$1.08

Appendix V-b
2003 Weighted Average Effective Tax Rates (WAETR)
for Property per \$100 of Assessed Value,
by City from Low to High (cont.)

CITY	WEIGHTED AVERAGE EFFECTIVE TAX RATE
UNION CITY	\$1.08
PORTLAND (SUMNER COUNTY)	\$1.09
BAXTER	\$1.09
LaFAYETTE	\$1.09
PARIS	\$1.09
SPRINGFIELD	\$1.09
CELINA	\$1.10
MARTIN	\$1.10
HARRIMAN	\$1.11
LEBANON	\$1.12
KENTON (OBION COUNTY)	\$1.13
WHITE PINE (HAMBLÉN COUNTY)	\$1.13
ASHLAND CITY	\$1.13
BLUFF CITY	\$1.13
FAYETTEVILLE	\$1.13
HALLS	\$1.13
HUNTINGDON	\$1.13
SHARON	\$1.13
WHITE HOUSE (ROBERTSON COUNTY)	\$1.14
LAWRENCEBURG	\$1.14
RIDGELY	\$1.14
WAYNESBORO	\$1.14
PULASKI	\$1.15
RIPLEY	\$1.15
TRENTON	\$1.15
PORTLAND (ROBERTSON COUNTY)	\$1.16
SWEETWATER (MCMINN COUNTY)	\$1.16
SHELBYVILLE	\$1.16
PETERSBURG (MARSHALL COUNTY)	\$1.17
GREENEVILLE	\$1.17
TROY	\$1.17
COLLINWOOD	\$1.18
MASON	\$1.18
JOHNSON CITY (WASHINGTON COUNTY)	\$1.19
CLEVELAND	\$1.19
CLINTON	\$1.20
BELLS	\$1.21
RED BANK	\$1.21
RIVES	\$1.21
COVINGTON	\$1.22

Appendix V-b
2003 Weighted Average Effective Tax Rates (WAETR)
for Property per \$100 of Assessed Value,
by City from Low to High (cont.)

CITY	WEIGHTED AVERAGE EFFECTIVE TAX RATE
RED BOILING SPRINGS	\$1.22
ROGERSVILLE	\$1.22
SIGNAL MOUNTAIN	\$1.23
OLIVER SPRINGS (ANDERSON COUNTY)	\$1.24
TRIMBLE (DYER COUNTY)	\$1.24
TULLAHOMA (FRANKLIN COUNTY)	\$1.24
CHAPEL HILL	\$1.24
DICKSON	\$1.24
EAST RIDGE	\$1.24
LOOKOUT MOUNTAIN	\$1.24
TIPTONVILLE	\$1.24
JOHNSON CITY (SULLIVAN COUNTY)	\$1.25
RIDGESIDE	\$1.25
OAK RIDGE (ROANE COUNTY)	\$1.26
FRIENDSHIP	\$1.26
HENNING	\$1.26
JACKSON	\$1.26
NEWBERN	\$1.27
NORRIS	\$1.27
LAKE CITY (CAMPBELL COUNTY)	\$1.28
RIDGETOP (DAVIDSON COUNTY)	\$1.28
ERIN	\$1.28
MARYVILLE	\$1.28
JOHNSON CITY (CARTER COUNTY)	\$1.29
COLLEGEDALE	\$1.29
DYERSBURG	\$1.29
MURFREESBORO	\$1.30
TRIMBLE (OBION COUNTY)	\$1.32
BRUCETON	\$1.32
COOKEVILLE	\$1.32
HUMBOLDT (MADISON COUNTY)	\$1.33
ARLINGTON	\$1.35
McMINNVILLE	\$1.35
OLIVER SPRINGS (MORGAN COUNTY)	\$1.36
GOODLETTSVILLE (DAVIDSON COUNTY)	\$1.36
LEWISBURG	\$1.36
CLARKSVILLE	\$1.37
ELIZABETHTON	\$1.38
GERMANTOWN	\$1.38
KINGSPORT (HAWKINS COUNTY)	\$1.39

Appendix V-b
2003 Weighted Average Effective Tax Rates (WAETR)
for Property per \$100 of Assessed Value,
by City from Low to High (cont.)

CITY	WEIGHTED AVERAGE EFFECTIVE TAX RATE
ALCOA	\$1.39
BARTLETT	\$1.42
KINGSPORT (SULLIVAN COUNTY)	\$1.43
BRISTOL	\$1.44
COLLIERVILLE	\$1.44
LAKE CITY (ANDERSON COUNTY)	\$1.46
NASHVILLE	\$1.47
TULLAHOMA (COFFEE COUNTY)	\$1.50
NEWPORT	\$1.51
MILLINGTON	\$1.54
OAK RIDGE (ANDERSON COUNTY)	\$1.69
OAKDALE	\$1.69
MANCHESTER	\$1.74
CHATTANOOGA	\$1.81
KNOXVILLE	\$1.82
MEMPHIS	\$2.22
MEAN FOR ALL CITIES	\$1.00

Appendix V-c

2003 Combined City, County, and Special School District Nominal Property Tax Rates Ordered by City from Low to High

Cities that span more than one county are listed separately for every county. Cities that contain special school districts, but for which all residents do not live in the special school district, are listed twice, both with and without the special school district. Data are from the Comptroller of Treasury.

County	City	Special School Dist.	Co. Rate	City Rate	SSD Rate	Total Rate
CUMBERLAND	CRAB ORCHARD		\$1.4400			\$1.4400
CUMBERLAND	PLEASANT HILL		\$1.4400			\$1.4400
SEVIER	PIGEON FORGE		\$1.4500	\$0.1242		\$1.5742
SEVIER	GATLINBURG		\$1.4500	\$0.1777		\$1.6277
DEKALB	DOWELLTOWN		\$1.6300			\$1.6300
FAYETTE	BRADEN		\$1.7400			\$1.7400
DEKALB	LIBERTY		\$1.6300	\$0.1100		\$1.7400
FAYETTE	WILLISTON		\$1.7400			\$1.7400
LOUDON	GREENBACK		\$1.7800			\$1.7800
LOUDON	PHILADELPHIA		\$1.7800			\$1.7800
UNION	LUTTRELL		\$1.8000			\$1.8000
UNION	MAYNARDVILLE		\$1.8000			\$1.8000
UNION	PLAINVIEW		\$1.8000			\$1.8000
HARDIN	CRUMP		\$1.8200			\$1.8200
HARDIN	MILLEDGEVILLE		\$1.8200			\$1.8200
HARDIN	SALTILLO		\$1.8200			\$1.8200
SEVIER	SEVIERVILLE		\$1.4500	\$0.3800		\$1.8300
FENTRESS	ALLARDT		\$1.8800			\$1.8800
FAYETTE	OAKLAND		\$1.7400	\$0.1800		\$1.9200
GREENE	BAILEYTON		\$1.9500			\$1.9500
GREENE	MOSHEIM		\$1.9500			\$1.9500
GREENE	TUSCULUM		\$1.9500			\$1.9500
VAN BUREN	SPENCER		\$1.9600			\$1.9600
DECATUR	SCOTTS HILL		\$1.5600	\$0.4300		\$1.9900
JEFFERSON	NEW MARKET		\$2.0000			\$2.0000
HANCOCK	SNEEDVILLE		\$2.0200			\$2.0200
CHESTER	ENVILLE		\$2.0900			\$2.0900
CHESTER	MILLEDGEVILLE		\$2.0900			\$2.0900
CHESTER	SILERTON		\$2.0900			\$2.0900
CLAIBORNE	HARROGATE		\$2.1300			\$2.1300
CLAIBORNE	NEW TAZEWELL		\$2.1300			\$2.1300
HENDERSON	PARKERS CROSSROADS		\$2.1300			\$2.1300
CLAIBORNE	TAZEWELL		\$2.1300			\$2.1300
CUMBERLAND	CROSSVILLE		\$1.4400	\$0.7000		\$2.1400
BLOUNT	FRIENDSVILLE		\$2.1500			\$2.1500
BLOUNT	LOUISVILLE		\$2.1500			\$2.1500
BLOUNT	ROCKFORD		\$2.1500			\$2.1500
BLOUNT	TOWNSEND		\$2.1500			\$2.1500
McNAIRY	EASTVIEW		\$2.2000			\$2.2000
McNAIRY	ENVILLE		\$2.2000			\$2.2000
McNAIRY	FINGER		\$2.2000			\$2.2000
McNAIRY	GUYS		\$2.2000			\$2.2000

Appendix V-c

2003 Combined City, County, and Special School District Nominal Property Tax Rates Ordered by City from Low to High (cont.)

County	City	Special School Dist.	Co. Rate	City Rate	SSD Rate	Total Rate
McNAIRY	MICHIE		\$2.2000			\$2.2000
McNAIRY	MILLEDGEVILLE		\$2.2000			\$2.2000
McNAIRY	RAMER		\$2.2000			\$2.2000
OBION	SAMBURG		\$2.2000			\$2.2000
McNAIRY	STANTONVILLE		\$2.2000			\$2.2000
OBION	WOODLAND MILLS		\$2.2000			\$2.2000
FAYETTE	PIPERTON		\$1.7400	\$0.4800		\$2.2200
SEVIER	PITTMAN CENTER		\$1.4500	\$0.7700		\$2.2200
GIBSON	YORKVILLE	GIBSON CO SSD	\$0.8100		\$1.4200	\$2.2300
WHITE	DOYLE		\$2.2400			\$2.2400
MARION	CHATTANOOGA		\$2.2700			\$2.2700
MARION	MONTEAGLE		\$2.2700			\$2.2700
MARION	ORME		\$2.2700			\$2.2700
MARION	POWELLS CROSSROADS		\$2.2700			\$2.2700
MEIGS	DECATUR		\$1.8300	\$0.4600		\$2.2900
GRAINGER	BEAN STATION		\$2.3000			\$2.3000
GRAINGER	BLAINE		\$2.3000			\$2.3000
GRAINGER	RUTLEDGE		\$2.3000			\$2.3000
DEKALB	SMITHVILLE		\$1.6300	\$0.6800		\$2.3100
FAYETTE	SOMERVILLE		\$1.7400	\$0.5700		\$2.3100
MOORE	LYNCHBURG		\$2.3100	\$0.0100		\$2.3200
CLAIBORNE	CUMBERLAND GAP		\$2.1300	\$0.2000		\$2.3300
CAMPBELL	CARYVILLE		\$2.3400			\$2.3400
CAMPBELL	JACKSBORO		\$2.3400			\$2.3400
FRANKLIN	SEWANEE		\$2.3500			\$2.3500
MONROE	MADISONVILLE		\$1.8800	\$0.4800		\$2.3600
MONROE	VONORE		\$1.8800	\$0.4800		\$2.3600
MARION	KIMBALL		\$2.2700	\$0.1000		\$2.3700
SCOTT	WINFIELD		\$2.4000			\$2.4000
MARION	WHITWELL		\$2.2700	\$0.1500		\$2.4200
DEKALB	ALEXANDRIA		\$1.6300	\$0.8000		\$2.4300
McMINN	CALHOUN		\$1.9000	\$0.5300		\$2.4300
MONROE	TELLICO PLAINS		\$1.8800	\$0.5500		\$2.4300
MARION	NEW HOPE		\$2.2700	\$0.1700		\$2.4400
MADISON	MEDON		\$2.4600			\$2.4600
CARROLL	CLARKSBURG	SOUTH CARROLL SSD	\$1.0600		\$1.4100	\$2.4700
FAYETTE	GALLAWAY		\$1.7400	\$0.7500		\$2.4900
UNICOI	UNICOI		\$2.4900			\$2.4900
FAYETTE	GRAND JUNCTION		\$1.7400	\$0.7600		\$2.5000
HARDEMAN	SAULSBURY		\$2.5100			\$2.5100
HARDEMAN	SILERTON		\$2.5100			\$2.5100
LINCOLN	ARDMORE		\$2.2300	\$0.2900		\$2.5200
WARREN	CENTERTOWN		\$2.5300			\$2.5300
FENTRESS	JAMESTOWN		\$1.8800	\$0.6500		\$2.5300
WARREN	VIOLA		\$2.5300			\$2.5300
FAYETTE	MOSCOW		\$1.7400	\$0.7950		\$2.5350
HENDERSON	SARDIS		\$2.1300	\$0.4100		\$2.5400
HENRY	COTTAGE GROVE		\$2.3200	\$0.2300		\$2.5500

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2003 Combined City, County, and Special School District Nominal Property Tax Rates Ordered by City from Low to High (cont.)

County	City	Special School Dist.	Co. Rate	City Rate	SSD Rate	Total Rate
MARION	JASPER		\$2.2700	\$0.2800		\$2.5500
FRANKLIN	MONTEAGLE		\$2.5500			\$2.5500
HARDIN	SAVANNAH		\$1.8200	\$0.7300		\$2.5500
HENDERSON	SCOTTS HILL		\$2.1300	\$0.4200		\$2.5500
BLEDSON	PIKEVILLE		\$2.0800	\$0.4800		\$2.5600
DECATUR	PARSONS		\$1.5600	\$1.0100		\$2.5700
RHEA	DAYTON		\$2.1000	\$0.4800		\$2.5800
POLK	DUCKTOWN		\$2.0700	\$0.5100		\$2.5800
CANNON	AUBURNTOWN		\$2.5900			\$2.5900
SCOTT	HUNTSVILLE		\$2.4000	\$0.1900		\$2.5900
CROCKETT	GADSDEN		\$2.6000			\$2.6000
CARTER	WATAUGA		\$2.2000	\$0.4000		\$2.6000
LAWRENCE	ETHRIDGE		\$2.6250			\$2.6250
ROBERTSON	COOPERTOWN		\$2.6600			\$2.6600
ROBERTSON	CROSS PLAINS		\$2.6600			\$2.6600
WARREN	MORRISON		\$2.5300	\$0.1300		\$2.6600
ROBERTSON	ORLINDA		\$2.6600			\$2.6600
PERRY	LINDEN		\$2.2800	\$0.4000		\$2.6800
BEDFORD	NORMANDY		\$2.4900	\$0.2000		\$2.6900
HARDEMAN	TOONE		\$2.5100	\$0.1800		\$2.6900
BEDFORD	BELL BUCKLE		\$2.4900	\$0.2100		\$2.7000
HARDEMAN	HICKORY VALLEY		\$2.5100	\$0.1900		\$2.7000
HUMPHREYS	McEWEN		\$2.1500	\$0.5600		\$2.7100
DECATUR	DECATURVILLE		\$1.5600	\$1.1700		\$2.7300
BRADLEY	CHARLESTON		\$2.1800	\$0.5700		\$2.7500
MARION	SOUTH PITTSBURG	RICHARD CITY SSD	\$1.9800	\$0.5600	\$0.2100	\$2.7500
HARDIN	ADAMSVILLE		\$1.8200	\$0.9500		\$2.7700
HAYWOOD	STANTON		\$2.1100	\$0.6600		\$2.7700
PICKETT	BYRDSTOWN		\$2.1200	\$0.6600		\$2.7800
HARDEMAN	HORNSBY		\$2.5100	\$0.2900		\$2.8000
JEFFERSON	JEFFERSON CITY		\$2.0000	\$0.8000		\$2.8000
SCOTT	ONEIDA	ONEIDA SSD	\$2.3300		\$0.4700	\$2.8000
GRUNDY	ALTAMONT		\$2.8100			\$2.8100
GRUNDY	BEERSHEBA SPRINGS		\$2.8100			\$2.8100
McNAIRY	BETHEL SPRINGS		\$2.2000	\$0.6100		\$2.8100
GRUNDY	COALMONT		\$2.8100			\$2.8100
GRUNDY	GRUETLI-LAAGER		\$2.8100			\$2.8100
GRUNDY	MONTEAGLE		\$2.8100			\$2.8100
GRUNDY	PALMER		\$2.8100			\$2.8100
OBION	HORNBEAK		\$2.2000	\$0.6200		\$2.8200
POLK	COPPERHILL		\$2.0700	\$0.7600		\$2.8300
WILLIAMSON	NOLENSVILLE		\$2.7900	\$0.0400		\$2.8300
MARION	SOUTH PITTSBURG		\$2.2700	\$0.5600		\$2.8300
TIPTON	BURLISON		\$2.8500			\$2.8500
TIPTON	GARLAND		\$2.8500			\$2.8500
TIPTON	GILT EDGE		\$2.8500			\$2.8500
LAWRENCE	LORETTO		\$2.6250	\$0.2300		\$2.8550
DICKSON	SLAYDEN		\$2.8600			\$2.8600

Appendix V-c**2003 Combined City, County, and Special School District Nominal Property Tax Rates
Ordered by City from Low to High (cont.)**

County	City	Special School Dist.	Co. Rate	City Rate	SSD Rate	Total Rate
CARROLL	ATWOOD	WEST CARROLL SSD	\$1.0600		\$1.8100	\$2.8700
POLK	BENTON		\$2.0700	\$0.8100		\$2.8800
HENDERSON	LEXINGTON		\$2.1300	\$0.7500		\$2.8800
SMITH	GORDONSVILLE		\$1.9900	\$0.9000		\$2.8900
SMITH	SOUTH CARTHAGE		\$1.9900	\$0.9000		\$2.8900
McMINN	NIOTA		\$1.9000	\$1.0000		\$2.9000
PERRY	LOBELVILLE		\$2.2800	\$0.6300		\$2.9100
McNAIRY	SELMER		\$2.2000	\$0.7200		\$2.9200
LAWRENCE	SAINT JOSEPH		\$2.6250	\$0.3000		\$2.9250
LOUDON	LOUDON		\$1.7800	\$1.1500		\$2.9300
HENRY	PURYEAR		\$2.3200	\$0.6100		\$2.9300
WILLIAMSON	THOMPSON STATION		\$2.7900	\$0.1500		\$2.9400
DICKSON	VANLEER		\$2.8600	\$0.0800		\$2.9400
HUMPHREYS	NEW JOHNSONVILLE		\$2.1500	\$0.8000		\$2.9500
KNOX	FARRAGUT		\$2.9600			\$2.9600
WEAKLEY	McKENZIE		\$2.1600	\$0.8000		\$2.9600
MAURY	SPRING HILL		\$2.7300	\$0.2300		\$2.9600
WILSON	MOUNT JULIET		\$2.9700			\$2.9700
MONROE	SWEETWATER		\$1.8800	\$1.0900		\$2.9700
ROBERTSON	ADAMS		\$2.6600	\$0.3200		\$2.9800
ROBERTSON	CEDAR HILL		\$2.6600	\$0.3300		\$2.9900
LEWIS	HOHENWALD		\$1.8600	\$1.1300		\$2.9900
FAYETTE	ROSSVILLE		\$1.7400	\$1.2500		\$2.9900
MCMINN	SWEETWATER		\$1.9000	\$1.0900		\$2.9900
JEFFERSON	DANDRIDGE		\$2.0000	\$1.0000		\$3.0000
JEFFERSON	WHITE PINE		\$2.0000	\$1.0000		\$3.0000
JEFFERSON	BANEBERRY		\$2.0000	\$1.0100		\$3.0100
HENRY	HENRY		\$2.3200	\$0.7000		\$3.0200
WILLIAMSON	SPRING HILL		\$2.7900	\$0.2300		\$3.0200
STEWART	CUMBERLAND CITY		\$2.1800	\$0.8500		\$3.0300
DICKSON	CHARLOTTE		\$2.8600	\$0.2000		\$3.0600
STEWART	DOVER		\$2.1800	\$0.8800		\$3.0600
WAYNE	IRON CITY		\$2.5700	\$0.4900		\$3.0600
HAMBLEN	WHITE PINE		\$2.0600	\$1.0000		\$3.0600
LOUDON	LENOIR CITY		\$1.7800	\$1.3000		\$3.0800
SCOTT	ONEIDA		\$2.3300	\$0.7500		\$3.0800
CHEATHAM	PLEASANT VIEW		\$3.0900			\$3.0900
LAWRENCE	IRON CITY		\$2.6250	\$0.4900		\$3.1150
HENRY	McKENZIE		\$2.3200	\$0.8000		\$3.1200
OVERTON	LIVINGSTON		\$1.9700	\$1.1600		\$3.1300
SMITH	CARTHAGE		\$1.9900	\$1.1500		\$3.1400
CHESTER	HENDERSON		\$2.0900	\$1.0500		\$3.1400
MADISON	THREE WAY		\$2.4600	\$0.6800		\$3.1400
McNAIRY	ADAMSVILLE		\$2.2000	\$0.9500		\$3.1500
DICKSON	BURNS		\$2.8600	\$0.2900		\$3.1500
HAMBLEN	MORRISTOWN		\$2.0600	\$1.0900		\$3.1500
COCKE	PARROTSVILLE		\$3.1600			\$3.1600
HUMPHREYS	WAVERLY		\$2.1500	\$1.0300		\$3.1800

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2003 Combined City, County, and Special School District Nominal Property Tax Rates Ordered by City from Low to High (cont.)

County	City	Special School Dist.	Co. Rate	City Rate	SSD Rate	Total Rate
McMINN	ATHENS		\$1.9000	\$1.2900		\$3.1900
HAWKINS	BULLS GAP		\$2.4100	\$0.7900		\$3.2000
PUTNAM	ALGOOD		\$2.4800	\$0.7300		\$3.2100
CAMPBELL	JELICO		\$2.3400	\$0.8800		\$3.2200
FRANKLIN	WINCHESTER		\$2.3500	\$0.8700		\$3.2200
GRUNDY	TRACY CITY		\$2.8100	\$0.4300		\$3.2400
SUMNER	GOODLETTSVILLE		\$2.5900	\$0.6600		\$3.2500
TIPTON	ATOKA		\$2.8500	\$0.4100		\$3.2600
HAWKINS	SURGOINSVILLE		\$2.4100	\$0.8500		\$3.2600
WILLIAMSON	FRANKLIN		\$2.7200	\$0.5500		\$3.2700
GILES	MINOR HILL		\$3.2700			\$3.2700
CHEATHAM	PEGRAM	PEGRAM FIRE TAX	\$3.0900		\$0.1970	\$3.2870
HARDEMAN	WHITEVILLE		\$2.5100	\$0.7800		\$3.2900
GIBSON	GIBSON	GIBSON CO SSD	\$0.8100	\$1.0700	\$1.4200	\$3.3000
RUTHERFORD	LaVERGNE		\$2.8000	\$0.5000		\$3.3000
LINCOLN	PETERSBURG		\$2.2300	\$1.0700		\$3.3000
TIPTON	BRIGHTON		\$2.8500	\$0.4600		\$3.3100
PUTNAM	COOKEVILLE		\$2.4800	\$0.8300		\$3.3100
McMINN	ETOWAH		\$1.9000	\$1.4100		\$3.3100
SUMNER	HENDERSONVILLE		\$2.5900	\$0.7200		\$3.3100
SUMNER	MITCHELLVILLE		\$2.5900	\$0.7300		\$3.3200
McMINN	ENGLEWOOD		\$1.9000	\$1.4400		\$3.3400
CAMPBELL	LaFOLLETTE		\$2.3400	\$1.0000		\$3.3400
FAYETTE	LaGRANGE		\$1.7400	\$1.6000		\$3.3400
MORGAN	SUNBRIGHT		\$3.3400			\$3.3400
MORGAN	WARTBURG		\$3.3400			\$3.3400
WEAKLEY	DRESDEN		\$2.1600	\$1.1900		\$3.3500
CHEATHAM	KINGSTON	KINGSTON FIRE TAX	\$3.0900		\$0.2680	\$3.3580
HAYWOOD	BROWNSVILLE		\$2.1100	\$1.2500		\$3.3600
BENTON	CAMDEN		\$2.9300	\$0.4300		\$3.3600
HICKMAN	CENTERVILLE		\$2.6400	\$0.7200		\$3.3600
HARDEMAN	GRAND JUNCTION		\$2.5100	\$0.8500		\$3.3600
JOHNSON	MOUNTAIN CITY		\$2.4000	\$0.9600		\$3.3600
TROUSDALE	HARTSVILLE		\$2.4900	\$0.8800		\$3.3700
WILLIAMSON	BRENTWOOD		\$2.7900	\$0.5900		\$3.3800
FRANKLIN	ESTILL SPRINGS		\$2.5500	\$0.8400		\$3.3900
JACKSON	GAINESBORO		\$2.7400	\$0.6500		\$3.3900
MACON	LaFAYETTE		\$2.5900	\$0.8000		\$3.3900
CARROLL	McKENZIE	McKENZIE SSD	\$1.0600	\$0.8000	\$1.5300	\$3.3900
HAMILTON	LAKESITE		\$3.0610	\$0.3390		\$3.4000
DICKSON	WHITE BLUFF		\$2.8600	\$0.5400		\$3.4000
HAWKINS	CHURCH HILL		\$2.4100	\$1.0000		\$3.4100
WEAKLEY	GREENFIELD		\$2.1600	\$1.2500		\$3.4100
GIBSON	RUTHERFORD	GIBSON CO SSD	\$0.8100	\$1.1800	\$1.4200	\$3.4100
RHEA	SPRING CITY		\$2.1000	\$1.3300		\$3.4300
WEAKLEY	GLEASON		\$2.1600	\$1.3000		\$3.4600
FRANKLIN	HUNTLAND		\$2.5500	\$0.9300		\$3.4800
OBION	UNION CITY		\$1.7100	\$1.7700		\$3.4800

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2003 Combined City, County, and Special School District Nominal Property Tax Rates Ordered by City from Low to High (cont.)

County	City	Special School Dist.	Co. Rate	City Rate	SSD Rate	Total Rate
RUTHERFORD	SMYRNA		\$2.8000	\$0.6900		\$3.4900
BEDFORD	WARTRACE		\$2.4900	\$1.0000		\$3.4900
HARDEMAN	MIDDLETON		\$2.5100	\$0.9900		\$3.5000
PUTNAM	MONTEREY		\$2.4800	\$1.0200		\$3.5000
HENRY	PARIS	PARIS SSD	\$2.3200	\$0.7600	\$0.4200	\$3.5000
WHITE	SPARTA		\$2.2400	\$1.2600		\$3.5000
WILLIAMSON	FAIRVIEW		\$2.7900	\$0.7200		\$3.5100
ROBERTSON	RIDGETOP		\$2.6600	\$0.8500		\$3.5100
RUTHERFORD	EAGLEVILLE		\$2.8000	\$0.7200		\$3.5200
OBION	OBION CITY		\$2.2000	\$1.3200		\$3.5200
FRANKLIN	DECHERD		\$2.5500	\$1.0000		\$3.5500
OBION	SOUTH FULTON		\$2.2000	\$1.3500		\$3.5500
HAMILTON	SODDY DAISY		\$3.0610	\$0.4900		\$3.5510
TIPTON	MUNFORD		\$2.8500	\$0.7100		\$3.5600
CARROLL	TREZEVANT	WEST CARROLL SSD	\$1.0600	\$0.6900	\$1.8100	\$3.5600
ROANE	MIDTOWN		\$2.8250	\$0.7400		\$3.5650
GILES	ARDMORE		\$3.2700	\$0.3100		\$3.5800
SUMNER	MILLERSVILLE		\$2.5900	\$1.0000		\$3.5900
SUMNER	WESTMORELAND		\$2.5900	\$1.0000		\$3.5900
RHEA	GRAYSVILLE		\$2.1000	\$1.5000		\$3.6000
GILES	ELKTON		\$3.2700	\$0.3500		\$3.6200
WAYNE	CLIFTON		\$2.5700	\$1.0600		\$3.6300
CHEATHAM	ASHLAND CITY		\$3.0900	\$0.5500		\$3.6400
BENTON	BIG SANDY		\$2.9300	\$0.7100		\$3.6400
UNICOI	ERWIN		\$2.4900	\$1.1500		\$3.6400
LAUDERDALE	HALLS		\$2.1100	\$1.5300		\$3.6400
HAMILTON	WALDEN		\$3.0610	\$0.5800		\$3.6410
CARROLL	McLEMORESVILLE	WEST CARROLL SSD	\$1.0600	\$0.7900	\$1.8100	\$3.6600
ROBERTSON	MILLERSVILLE		\$2.6600	\$1.0000		\$3.6600
ROBERTSON	SPRINGFIELD		\$2.6600	\$1.0000		\$3.6600
CHEATHAM	KINGSTON SPRINGS		\$3.0900	\$0.5800		\$3.6700
WEAKLEY	MARTIN		\$2.1600	\$1.5100		\$3.6700
ROANE	ROCKWOOD		\$2.8250	\$0.8500		\$3.6750
SULLIVAN	BLUFF CITY		\$2.3500	\$1.3300		\$3.6800
WASHINGTON	JONESBOROUGH		\$1.9300	\$1.7500		\$3.6800
OBION	KENTON	KENTON SSD	\$2.2000	\$1.1300	\$0.3500	\$3.6800
LAUDERDALE	RIPLEY		\$2.1100	\$1.5900		\$3.7000
HOUSTON	TENN RIDGE		\$2.9000	\$0.8000		\$3.7000
LAWRENCE	LAWRENCEBURG		\$2.6250	\$1.0800		\$3.7050
SUMNER	GALLATIN		\$2.5900	\$1.1200		\$3.7100
ROBERTSON	GREENBRIER		\$2.6600	\$1.0500		\$3.7100
CROCKETT	ALAMO		\$2.6000	\$1.1200		\$3.7200
MAURY	COLUMBIA		\$2.7300	\$0.9900		\$3.7200
CROCKETT	MAURY CITY		\$2.6000	\$1.1200		\$3.7200
PUTNAM	BAXTER		\$2.4800	\$1.2500		\$3.7300
SUMNER	PORTLAND		\$2.5900	\$1.1500		\$3.7400
TIPTON	MASON		\$2.8500	\$0.9000		\$3.7500
LINCOLN	FAYETTEVILLE		\$2.2300	\$1.5400		\$3.7700

Appendix V-c**2003 Combined City, County, and Special School District Nominal Property Tax Rates
Ordered by City from Low to High (cont.)**

County	City	Special School Dist.	Co. Rate	City Rate	SSD Rate	Total Rate
GIBSON	BRADFORD	BRADFORD SSD	\$0.8100	\$1.1700	\$1.8000	\$3.7800
HAWKINS	MOUNT CARMEL		\$2.4100	\$1.3700		\$3.7800
SEQUATCHIE	DUNLAP		\$2.6600	\$1.1400		\$3.8000
HARDEMAN	BOLIVAR		\$2.5100	\$1.3000		\$3.8100
GIBSON	HUMBOLDT		\$0.8100	\$3.0000		\$3.8100
ROBERTSON	PORTLAND		\$2.6600	\$1.1500		\$3.8100
CLAY	CELINA		\$2.9000	\$0.9200		\$3.8200
BRADLEY	CLEVELAND		\$2.1800	\$1.6500		\$3.8300
CANNON	WOODBURY		\$2.5900	\$1.2400		\$3.8300
DAVIDSON	BERRY HILL		\$3.8400			\$3.8400
DAVIDSON	FORREST HILL		\$3.8400			\$3.8400
DAVIDSON	LAKEWOOD		\$3.8400			\$3.8400
WILSON	LEBANON	LEBANON SSD	\$2.9700	\$0.4400	\$0.4300	\$3.8400
DAVIDSON	OAK HILL		\$3.8400			\$3.8400
LAKE	RIDGELY		\$2.4300	\$1.4200		\$3.8500
GIBSON	KENTON	KENTON SSD	\$0.8100	\$1.2300	\$1.8200	\$3.8600
HAWKINS	ROGERSVILLE		\$2.4100	\$1.4500		\$3.8600
DICKSON	DICKSON		\$2.8600	\$1.0100		\$3.8700
HOUSTON	ERIN		\$2.9000	\$0.9800		\$3.8800
MAURY	MOUNT PLEASANT		\$2.7300	\$1.1500		\$3.8800
CARROLL	HOLLOW ROCK	HOLLOW ROCK SSD	\$1.0600	\$0.8400	\$1.9900	\$3.8900
OBION	TROY		\$2.2000	\$1.7000		\$3.9000
MACON	RED BOILING SPRINGS		\$2.5900	\$1.3200		\$3.9100
MARSHALL	CORNERVILLE		\$3.1400	\$0.7800		\$3.9200
GIBSON	DYER	GIBSON CO SSD	\$0.8100	\$1.7000	\$1.4200	\$3.9300
WEAKLEY	SHARON		\$2.1600	\$1.7700		\$3.9300
WILSON	WATERTOWN		\$2.9700	\$0.9600		\$3.9300
SUMNER	WHITE HOUSE		\$2.5900	\$1.3400		\$3.9300
CAMPBELL	LAKE CITY		\$2.3400	\$1.6000		\$3.9400
OBION	TRIMBLE		\$2.2000	\$1.7400		\$3.9400
TIPTON	COVINGTON		\$2.8500	\$1.1000		\$3.9500
LAUDERDALE	GATES		\$2.1100	\$1.8500		\$3.9600
BEDFORD	SHELBYVILLE		\$2.4900	\$1.4700		\$3.9600
GILES	PULASKI		\$3.2700	\$0.7000		\$3.9700
GREENE	GREENEVILLE		\$1.7000	\$2.2900		\$3.9900
WAYNE	WAYNESBORO		\$2.5700	\$1.4200		\$3.9900
CROCKETT	BELLS		\$2.6000	\$1.4000		\$4.0000
CARROLL	HUNTINGDON	HUNTINGDON SSD	\$1.0600	\$1.2900	\$1.6500	\$4.0000
ROBERTSON	WHITE HOUSE		\$2.6600	\$1.3400		\$4.0000
ROANE	OLIVER SPRINGS		\$2.8250	\$1.2500		\$4.0750
WASHINGTON	JOHNSON CITY		\$1.9300	\$2.1500		\$4.0800
GIBSON	MEDINA	GIBSON CO SSD	\$0.8100	\$1.8500	\$1.4200	\$4.0800
SHELBY	LAKELAND		\$4.0900			\$4.0900
LAKE	TIPTONVILLE		\$2.4300	\$1.6600		\$4.0900
ROANE	KINGSTON		\$2.8250	\$1.2700		\$4.0950
GIBSON	MILAN	MILAN SSD	\$0.8100	\$1.2000	\$2.1000	\$4.1100
WARREN	McMINNVILLE		\$2.5300	\$1.6000		\$4.1300
DYER	NEWBERN		\$2.5800	\$1.5500		\$4.1300

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2003 Combined City, County, and Special School District Nominal Property Tax Rates Ordered by City from Low to High (cont.)

County	City	Special School Dist.	Co. Rate	City Rate	SSD Rate	Total Rate
HAMILTON	COLLEGEDALE		\$3.0610	\$1.0786		\$4.1396
DAVIDSON	BELLE MEADE		\$3.8400	\$0.3500		\$4.1900
ANDERSON	CLINTON		\$3.3100	\$0.8900		\$4.2000
OBION	RIVES		\$2.2000	\$2.0000		\$4.2000
WILLIAMSON	FRANKLIN	FRANKLIN SSD	\$2.7200	\$0.5500	\$0.9400	\$4.2100
LAUDERDALE	HENNING		\$2.1100	\$2.1000		\$4.2100
MARSHALL	PETERSBURG		\$3.1400	\$1.0700		\$4.2100
CARTER	JOHNSON CITY		\$2.2000	\$2.0400		\$4.2400
GILES	LYNNVILLE		\$3.2700	\$1.0000		\$4.2700
HAMILTON	RED BANK		\$3.0610	\$1.2200		\$4.2810
ROANE	HARRIMAN		\$2.5050	\$1.7800		\$4.2850
BLOUNT	ALCOA		\$2.1500	\$2.1500		\$4.3000
FRANKLIN	COWAN		\$2.5500	\$1.7500		\$4.3000
DYER	DYERSBURG		\$2.5800	\$1.7200		\$4.3000
BLOUNT	MARYVILLE		\$2.1500	\$2.1500		\$4.3000
GIBSON	TRENTON	TRENTON SSD	\$0.8100	\$1.7800	\$1.7100	\$4.3000
HAMILTON	EAST RIDGE		\$3.0610	\$1.2500		\$4.3110
DYER	TRIMBLE		\$2.5800	\$1.7400		\$4.3200
SULLIVAN	JOHNSON CITY		\$2.3500	\$2.0400		\$4.3900
CARROLL	BRUCETON	BRUCETON SSD	\$1.0600	\$1.3900	\$1.9900	\$4.4400
MONTGOMERY	CLARKSVILLE		\$2.9100	\$1.5800		\$4.4900
WAYNE	COLLINWOOD		\$2.5700	\$1.9300		\$4.5000
CARTER	ELIZABETHTON		\$2.2000	\$2.3000		\$4.5000
RUTHERFORD	MURFREESBORO		\$2.8000	\$1.7200		\$4.5200
DAVIDSON	GOODLETTSVILLE		\$3.8400	\$0.7000		\$4.5400
ANDERSON	OLIVER SPRINGS		\$3.3200	\$1.2500		\$4.5700
DAVIDSON	NASHVILLE		\$3.8400	\$0.7400		\$4.5800
MARSHALL	LEWISBURG		\$3.1400	\$1.4500		\$4.5900
MORGAN	OLIVER SPRINGS		\$3.3400	\$1.2500		\$4.5900
CROCKETT	FRIENDSHIP		\$2.6000	\$2.0000		\$4.6000
SULLIVAN	KINGSPORT		\$2.3500	\$2.2900		\$4.6400
MARSHALL	CHAPEL HILL		\$3.1400	\$1.5400		\$4.6800
MADISON	JACKSON		\$2.4600	\$2.2200		\$4.6800
DAVIDSON	RIDGETOP		\$3.8400	\$0.8500		\$4.6900
SULLIVAN	BRISTOL		\$2.3500	\$2.3500		\$4.7000
HAWKINS	KINGSPORT		\$2.4100	\$2.3000		\$4.7100
HAMILTON	SIGNAL MOUNTAIN		\$3.0610	\$1.6500		\$4.7110
FRANKLIN	TULLAHOMA		\$2.3500	\$2.3900		\$4.7400
ANDERSON	LAKE CITY		\$3.3200	\$1.6000		\$4.9200
COFFEE	TULLAHOMA		\$2.5600	\$2.3900		\$4.9500
HAMILTON	RIDGESIDE		\$3.0610	\$1.9300		\$4.9910
SHELBY	ARLINGTON		\$4.0900	\$1.0000		\$5.0900
ANDERSON	NORRIS		\$3.3200	\$1.8900		\$5.2100
HAMILTON	LOOKOUT MOUNTAIN		\$3.0610	\$2.2000		\$5.2610
ROANE	OAK RIDGE		\$2.4450	\$2.8700		\$5.3150
SHELBY	MILLINGTON		\$4.0900	\$1.2300		\$5.3200
MORGAN	OAKDALE		\$3.3400	\$2.0000		\$5.3400
COFFEE	MANCHESTER		\$2.6400	\$2.7700		\$5.4100

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2003 Combined City, County, and Special School District Nominal Property Tax Rates Ordered by City from Low to High (cont.)

County	City	Special School Dist.	Co. Rate	City Rate	SSD Rate	Total Rate
MADISON	HUMBOLDT		\$2.4600	\$3.0000		\$5.4600
SHELBY	BARTLETT		\$4.0900	\$1.3800		\$5.4700
SHELBY	COLLIERVILLE		\$4.0900	\$1.4500		\$5.5400
HAMILTON	CHATTANOOGA		\$3.0610	\$2.5160		\$5.5770
COCKE	NEWPORT		\$3.1600	\$2.4600		\$5.6200
KNOX	KNOXVILLE		\$2.9600	\$2.7000		\$5.6600
SHELBY	GERMANTOWN		\$4.0900	\$1.7000		\$5.7900
ANDERSON	OAK RIDGE		\$3.1400	\$2.8700		\$6.0100
SHELBY	MEMPHIS		\$4.0400	\$3.2304		\$7.2704