

RESOLUTION 2016-03

A RESOLUTION ENDORSING THE ANNUAL REVIEW OF HALL TAX AND ITS EFFECT ON THE CITY'S PROPOSED BUDGET AND PROPERTY TAX RATE.

WHEREAS, the Tennessee State Legislature passed Senate Bill 0047 and House Bill 0813, which became law on May 20, 2016. As enacted, this law reduces Hall income tax from six percent to five percent; expresses legislative intent that the tax be statutorily reduced by one percent annually beginning with the first annual session of the 110th general assembly; eliminates the tax for tax years beginning on or after January 1, 2022; and,

WHEREAS, The City of Belle Meade receives more than 50% of its revenue from the Hall Tax and has communicated to the citizens for many years about the probability of the Hall Tax being eliminated and the possible alternatives to replacing that revenue. The Board of Commissioners, upon notice of the recent legislation, scheduled three public meetings in June to discuss the challenges faced by the City in this State decision. Public feedback was encouraged and additional communications were sent to citizens via the monthly newsletter and email blasts; and,

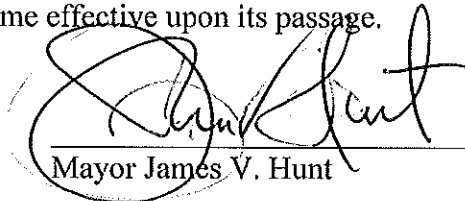
WHEREAS, The Commissioners, by a 3-2 vote, agreed to a current year increase in the Belle Meade property tax from .2243 per \$100 of assessed value to .30 per \$100, to reflect the anticipated 16.667% revenue loss projected for fiscal year 2016-2017; therefore:

BE IT RESOLVED by the City of Belle Meade, Tennessee as follows:

SECTION 1. Each year, the projected loss of revenue from the Hall tax will be compared to the need for additional property tax increases. Action, as budgets are presented and approved, will be taken to offset needed deficiencies. It is expected that eventually the entire loss of revenue will be replaced by Belle Meade property tax increases, although not necessarily in dollar amounts to mirror the decrease in Hall tax, but in amounts needed to assure fiscal responsibility.

SECTION 2. This Resolution shall become effective upon its passage.

Date of Adoption:



Mayor James V. Hunt

July 20, 2016



City Recorder Kemishia Sadler