




STATE OF TENNESSEE  
**STATE BOARD OF EQUALIZATION**  
9<sup>TH</sup> FLOOR, W.R. SNODGRASS TN TOWER  
312 ROSA PARKS AVENUE  
NASHVILLE, TENNESSEE 37243-1102  
PHONE (615) 401-7883

**MEMO**

To: Private Lessees/Companies  
Industrial Development Board Staff Contacts  
Local Housing Authority Staff Contacts

From: Betsy Knotts, Deputy Executive Secretary   
State Board of Equalization

Date: August 10, 2016

Subject: **Annual PILOT and TIF Reports Due October 1, 2016**

State law<sup>1</sup> requires annual tax incentive statements to be filed with the Comptroller's office by **October 1**. Please file all relevant payment in lieu of tax (PILOT) and tax increment financing (TIF) reports by sending them to me at the above address. Please see the following attachments for more detailed information:

- **Attachment A is the annual PILOT report**
  - You may mail a hard copy to our office or e-file it on our website  
<http://www.comptroller.tn.gov/IDBHED/>
  - Lists of project codes and properties reported last year are available on our website  
<https://www.comptroller.tn.gov/SBOE/idbsumm.asp>
  - Please note the 109<sup>th</sup> General Assembly clarified the definitions of "Rent", "Payments in lieu of taxes", and "Waiver".<sup>2</sup>

<sup>1</sup> Tenn. Code Ann. §§ 7-53-305, 7-67-114, 9-23-106, and 48-101-312

<sup>2</sup> Tenn. Code Ann. § 7-53-101(17) "Payments in lieu of taxes" means any amount negotiated separately from rent in lieu of applicable ad valorem taxes; (18) "Rent" means a charge for use of property, including the lessee's obligation to repay debt issued or assumed by a lessor, or rent implied by the lessee's stated obligation to construct improvements; and (19) "Waiver" means an agreement that does not require the payment of any payments in lieu of taxes for a period of time.

- A late filing fee of \$50 will be charged after October 1. Remember, a copy of the report must also be filed with the assessor of property in the county where the property is located.
- **Attachment B describes the requirements for tax increment financing reporting and submission requirements when requesting Comptroller approval of certain projects**

State law<sup>3</sup> also requires parties to economic development agreements to file copies of the final agreements with the Comptroller's office and the county executive (and city mayor, if applicable). If you have not done so already or if you have entered into a new economic development agreement recently, please submit a copy to me at the State Board of Equalization as soon as possible.

Please call our office with any specific questions relating to any of these requirements. Thank you.

Enclosures

Cc: County Executives  
Assessors of Property

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<sup>3</sup> Tenn. Code Ann. § 4-17-301 et seq.

# ATTACHMENT A

**REPORT OF PROPERTIES OWNED BY HEALTH AND EDUCATIONAL, INDUSTRIAL DEVELOPMENT AND SPORTS AUTHORITY BOARDS**  
 (Rev. 2013)  
 (Note: late fee due after October 1)

Tennessee law requires businesses leasing property from certain public boards and authorities to annually report to the State Board of Equalization concerning the leased properties.

<p><b>GENERAL INFORMATION</b>      County: _____ Year: _____</p> <p>Owner name: _____</p> <p>Lessee name and address: _____</p>	<p>This property is owned in the name of (select one):</p> <p><input type="checkbox"/> Industrial Development Board (T.C.A. §7-53-301)</p> <p><input type="checkbox"/> Health, Housing &amp; Educational Facility Board (T.C.A. §48-101-307)</p> <p><input type="checkbox"/> Sports Authority Board (T.C.A. §7-67-108)</p>
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Has lessee name changed since last filing? Yes \_\_\_ No \_\_\_

Person filing this report:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

1. **PROPERTY LISTING:** List all the real and personal property owned by the ID/H&ED Board which is leased or subleased by this lessee as of last January 1. List each property separately if it has a separate parcel or account number in the assessor's records:

A. _____	Property address or location	Assessor's id. no.
B. _____	State the city where the property is located	
C. _____		

D. \_\_\_\_\_  
 E. \_\_\_\_\_

2. PROPERTY DETAIL: For each of the above properties, provide the following information:

Item	EST. VALUE	DATE1	TERM	RENT	PILOT/CITY	PILOT/CO.	DATE2	L/H TAX (IF ANY)
A								
B								
C								
D								
E								

EST. VALUE: Good faith estimate of value    DATE1: Lease date    TERM: Lease term (mos./yrs.)

RENT: Amount of stated rent per the lease.

PILOT/CITY: Annual payments in lieu of property taxes payable to or for the benefit of a city

PILOT/COUNTY: Annual payments in lieu of property taxes to or for the benefit of a county

DATE2: Date the property is scheduled to return to the regular tax rolls

L/H TAX: If the county assessor has recorded a positive value for the leasehold interest, state the amount of tax due (confirm with county assessor).

*This report must be completed and submitted to the State Board of Equalization annually by **October 1**. The report is late if postmarked after October 1. Late filed reports must be accompanied by a late fee of \$50. The report may be submitted electronically through our web site at [www.comptroller.state.tn.us](http://www.comptroller.state.tn.us).*

A copy of this report must be filed with the county assessor of property by Oct. 15. Has a copy of this report been filed with the county assessor?  
 Yes \_\_\_ No \_\_\_

For questions, call or write the Board or visit our website at <http://www.comptroller.state.tn.us/sb/faq.htm>.

State Board of Equalization  
 9<sup>TH</sup> Floor, W.R. Snodgrass TN Tower  
 312 Rosa Parks Avenue  
 Nashville, Tennessee 37243-1102  
 (615)401-7883

# ATTACHMENT B

## Tax Increment Financing Reporting and Approval Requirements

Please include the following information in your agency's annual statement of tax increment revenues:

1. Name of Redevelopment Plan Area or Economic Impact Plan Area
2. Name of Tax Increment Agency
3. Contact Information
4. Increment received for Tax Year XXXX from city of \_\_\_\_\_
5. Increment received for Tax Year XXXX from county of \_\_\_\_\_

As a reminder, T.C.A. § 9-23-106(b) also requires tax increment agencies to file finalized TIF creation documents with the Comptroller's office. If your agency has not already done so, please file a copy of the following documents with Betsy Knotts at the State Board of Equalization as soon as possible:

- Copy of the description of all land within the redevelopment or economic plan area;
- Copies of all resolutions approving the original TIF plan and any amendments to the plan;
- A map or plat indicating the boundaries of the property within the plan area; and
- The base tax amount with respect to all property subject to the plan.

When requesting a written determination that a certain purpose or an extended plan term is in the best interest of the State, pursuant to T.C.A. §§ 9-23-104 and 9-23-108, please submit the following documents to the Comptroller of the Treasury, State Capitol, Nashville, Tennessee 37243-9034:

- Request letter explaining in detail why an extended plan term is reasonably required for plan completion or why tax increment financing is essential to the development of a privately-owned project;
- Copies of all resolutions approving the original TIF plan and any amendments to the plan;
- Copy of the Development and Financing Agreement or similar agreement (draft version is acceptable if it is a proposed financing);
- Copy of any Guaranty Agreement from a private party or similar agreement (draft version is acceptable if it is a proposed financing);
- Tax increment revenue projections, including the contact information of the person or entity that prepared such projections; and
- Contact information, including e-mail addresses, for bond counsel, financial advisors, and any other professionals working on the financing.

If you have any questions about any of the above requirements, please contact me at [Betsy.Knotts@cot.tn.gov](mailto:Betsy.Knotts@cot.tn.gov) or (615) 401-7954.