

Tennessee Code Annotated

67-1-601. Counties may impose taxes.

A county legislative body may impose taxes for county purposes, and fix the rate thereof, at its first session every year; and, if the legislative body omits such duty at the first session, it shall perform it at any subsequent quarterly session.

67-5-101. Property subject to tax generally.

All property, real and personal, shall be assessed for taxation for state, county and municipal purposes, except such as is declared exempt in part 2 of this chapter, or unless otherwise provided.

67-5-102. Taxation by county.

(a) (1) For county general purposes, the various counties are authorized to levy an ad valorem tax upon all property subject to this form of taxation.

(2) The amount of such tax shall be fixed by the county legislative body of each county.

67-5-503. Classification.

(a) For purposes of taxation, all property shall be classified into three (3) classes, to wit: real property, tangible personal property and intangible personal property, and into such subclasses as hereinafter provided.

(b) The ratio of assessment to value of property in each class or subclass shall be equal and uniform throughout the state, and each respective taxing authority shall apply the same tax rate to all property within its jurisdiction.

67-5-510. Establishment of county tax rate.

It is the duty of the county legislative bodies, on the first Monday in July, or as soon thereafter as practicable, to fix the tax rates on all properties within their respective jurisdictions for all county purposes.

67-5-801. Classification and rate of assessment.

(a) For the purposes of taxation, all real property, except vacant or unused property or property held for use, shall be classified according to use and assessed as hereinafter provided:

(1) *Public Utility Property.* Public utility property shall be assessed at fifty-five percent (55%) of its value;

(2) *Industrial and Commercial Property.* Industrial and commercial property shall be assessed at forty percent (40%) of its value;

(3) *Residential Property.* Residential property shall be assessed at twenty-five percent (25%) of its value; and

(4) *Farm Property.* Farm property shall be assessed at twenty-five percent (25%) of its value.

For more information:

...about your property appraisal or assessment, contact:

**Cumberland County
Assessor of Property
2 South Main Street
Suite 101
Crossville, TN 38555
(931) 484-5745**

...about your county property taxes, contact:

**Cumberland County Trustee
2 South Main Street
Suite 111
Crossville, TN 38555
(931) 484-5730**

...about your city property taxes, contact:

**Crossville City Hall
99 Municipal Avenue
Crossville, TN 38555
(931) 484-5113**



**Cumberland County
Assessor of Property**



How to Calculate Your Property Taxes

A Guide to Assist Property Owners in
Determining City and County Taxes
based on Property Assessments



Components of the

Property taxes in Tennessee are calculated utilizing the following four components:

1. APPRAISED VALUE
2. ASSESSMENT RATIO
3. ASSESSED VALUE
4. TAX RATE

The *APPRAISED VALUE* for each taxable property in a county is determined by the county property assessor. This amount is an estimate of market value based on an established set of tables, manuals, and procedures mandated by state statute, and is intended to provide an equal treatment of all properties in the jurisdiction for tax purposes.

The *ASSESSMENT RATIO* for each different class of property is established by Tenn. Constitution, Art.2, § 28 and TCA 67-5-801 state law as follows:

Real Property

<u>Ratio</u>	<u>Property Classification</u>
25%	Residential / Farm
40%	Commercial / Industrial
55%	Public Utility

Tangible Personal Property

<u>Ratio</u>	<u>Property Classification</u>
30%	Commercial / Industrial
55%	Public Utility

The *ASSESSED VALUE* is calculated by multiplying the appraised value by the assessment ratio.

The *TAX RATE* for each county and municipality is set by the County Commission or the City Council based on the amount of monies budgeted to fund the provided services. These tax rates vary depending on the level of services provided and the total value of the county's tax base.

How to Calculate Your

The example below is for a typical residential property with an *Appraised Value* of:
\$ 80,000.00
 and using the most recent Cumberland County
Tax Rate:
 \$ 1.24 per \$100 of assessed value
 or .0124

Step 1:
 Multiply the *Appraised Value* times the
Assessment Ratio

$$\$ 80,000 \times 25 \% = \text{\$ } 20,000$$

This gives you the property's
Assessment Value

Step 2:
 Multiply the *Assessment Value* times the
Tax Rate

$$\$ 20,000 \times (1.24/100) = \text{\$ } 248$$

or

$$\$ 20,000 \times .0124 = \text{\$ } 248$$

This gives you the amount of the *county property tax bill* for this particular property.

If your property is also in the city, follow the same steps, using the city tax rate to figure your *city property tax bill*.

The billing amount you receive on your actual tax bills may vary slightly based on the method used for rounding.

Note: The tax rates for the current tax year are established by the County Commission and City Council in July of that year. The best possible estimate of taxes made between January 1st and July is done by utilizing the tax rates from the previous year.

Important Dates

1 January: Date of Assessment
TCA 67-5-504

20 May: Assessor lists all property and notifies property owners of any changes in their assessments.
TCA 67-5-504 & TCA 67-5-508

1 June: County Board of Equalization meets for approximately two weeks to consider appeals and certify values.
TCA 67-1-404 & TCA 67-5-1410

July: County Commission and City Council set their respective tax rates.
TCA 67-5-510

In October: Taxes become due and payable.
TCA 67-1-701

1 March (following year): County taxes become delinquent, penalty and interest begin to accrue.
TCA 67-1-801

1 December (following year): County taxes become delinquent, penalty and interest begin to accrue.
TCA 67-1-801

Cumberland County Tax Rates for the Previous 5 Years

<u>Tax Year</u>	<u>Tax Rate</u>
2004	\$1.64
2005	\$1.64
2006	\$1.64
2007	\$1.24
2008	\$1.24