



Department of  
**Revenue**

# 2021-2022 Annual Report

Tennessee Department of Revenue | Annual Report

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# I. Letter from the Commissioner

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As we reflect on the past year, I want to share my deep gratitude for our team members at the Department of Revenue, our colleagues throughout state and local government, and the taxpayers that we serve each day. We have worked together to support Tennesseans.

One of the best parts of this past fiscal year has been the opportunity to come back together in person for gatherings and educational opportunities. We held our first all-employee conference, Revenue United, in November 2021, which gave us the opportunity to connect with team members from all offices across the country. We resumed in-person speaking engagements and saw each division take the lead on gatherings to foster team building and build office morale.

In addition to our in-person gatherings, we also recognize that some things are more efficient and reach more people virtually. Our Taxpayer Services team began offering free tax webinars to the public each month in fiscal year 2021, and this fiscal year, we expanded that to include quarterly webinars for new businesses.

I'd be remiss if I failed to mention one of our greatest accomplishments this year: successfully rolling out the new blue standard license plate design. While this task was not without challenges, our team handled those well. I am so thankful we have a team who meets challenges head on and works to always put Tennessee citizens and their well-being first.

I'll conclude with our updated mission statement: We make public services possible. Each Revenue employee plays an important role in our state, and without their work, the state could not provide necessary services, like paving roads and building schools.

As we look toward the next year, we hope to increase tax education for new business owners, create additional resources for taxpayers, and ensure we are providing excellent customer service. I am honored to be a part of this team.

A handwritten signature in cursive script that reads "David Gerregano". The ink is dark and the signature is fluid and legible.

David Gerregano

## II. Mission, Vision and Values

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For a better understanding of what shapes the Department of Revenue's work, read about our mission, vision, and values.

### ***Our Mission:***

The mission of the Department of Revenue is to make public services possible.

### ***Our Vision:***

Our vision is to maximize voluntary compliance through transparency, innovation, and engagement.

### ***Our Core Values:***

- **Integrity:** We are honest and ethical.
- **Professionalism:** We perform to the highest standards of conduct.
- **Customer Service:** We provide excellent customer service to our customers and co-workers.



### III. About the Department

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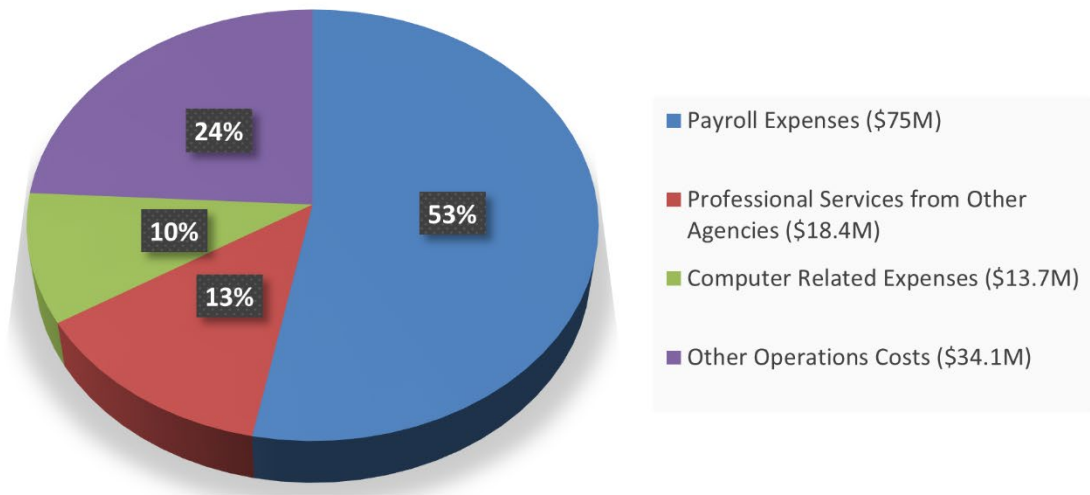
The Tennessee Department of Revenue serves as the state’s primary tax collection agency, administering more than 25 different taxes and fees. In addition to tax collection and enforcement, the department is responsible for administering Tennessee’s motor vehicle registration and title laws.

During the 2021-2022 fiscal year, the department collected nearly \$20.9 billion in state taxes and fees. The department also collected more than \$4.3 billion in taxes for local, county, and municipal governments.

The Department of Revenue has an annual budget of approximately \$141.3 million. About 25 percent of the department’s budget comes from fees for services provided to local governments. 75 percent derives from state appropriations.

The department’s expenditures break down as follows (see chart below):

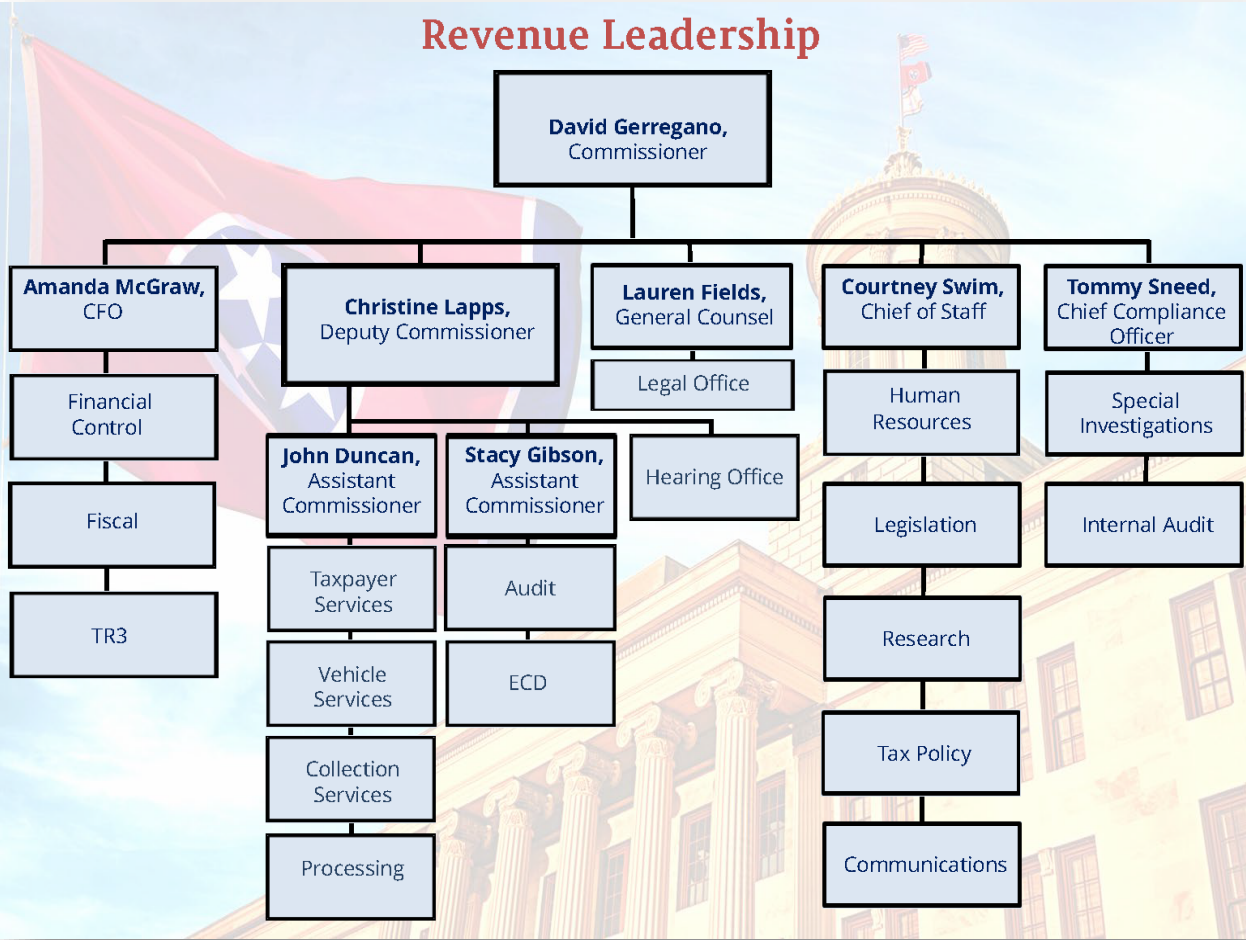
#### Department Expenditures FY 2022



***The department's functions include:***

- Collection and apportionment of \$25.2 billion in revenues annually
- Administration of Tennessee's motor vehicle title and registration laws
- Promotion of voluntary compliance with Tennessee tax laws through taxpayer education and customer service
- Fair and practical administration of tax policy
- Compliance-focused audits of taxpayers across all tax types
- Collection of delinquent tax revenues, with a focus on promoting voluntary tax compliance
- Tobacco regulation and diligent enforcement (in conjunction with the Attorney General's Office)
- Investigation of criminal tax fraud cases and assisting district attorneys with criminal tax fraud prosecutions
- Motor vehicle anti-theft inspections and investigations
- Administration of Tennessee's motor vehicle insurance verification law
- Lockbox services for other state agencies

# IV. Organization of the Department



To learn more about Revenue’s executive leadership team, [read their biographies here](#).

## V. Divisions

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Just under 800 people work for the Department of Revenue to:

- educate and assist taxpayers,
- administer the state's motor vehicle title and registration laws,
- conduct tax research and economic analysis,
- enforce tax laws fairly and consistently, and
- process returns and other documentation.

Read more about each one of Revenue's divisions and what they do:

**Administration Division:** The Administration Division includes the Communications, Legislation, Policy, Financial Control/Fiscal, Hearing, Human Resources, Internal Audit, Legal, Research, and Special Investigations offices.

**Communications:** The Communications Office creates and executes the department's communications strategy. This includes press releases, media inquiries, social media, video content, website information, and written information for taxpayers.

**Financial Control/Fiscal:** This office coordinates the department's fiscal functions, including allocating tax revenues to local governments. The office develops and administers an annual budget, risk assessments, ensures appropriate segregation of duties, and monitors cash flow.

**Hearing:** The Hearing Office works with taxpayers through informal conferences to resolve disputes about tax assessments and tax refund claim denials. Hearing Office personnel are required to exercise independent judgment and to render decisions on individual issues based on the facts and the law.

**Human Resources:** The Human Resources Office serves as a resource to employees and management regarding policy and procedural interpretations. This office assists with Department of Human Resources related transactions, such as compensation, payroll, benefits, and employee-relations issues.



**Internal Audit:** The Internal Audit Office conducts operational and financial audits to ensure compliance with federal, state, and departmental regulations. The office also provides testing and consulting services to ensure the safeguard of state and federal tax information.

**Legal:** The Legal Office supports the Attorney General's Office who handles more than 75 tax litigation cases a year. It also drafts tax rulings and legislation and provides legal counsel on all matters involving the department. The office ensures the state's best interests are protected while providing a high level of customer service.

**Legislation:** This office coordinates the department's legislative affairs and serves as a liaison between the Governor's Office and the General Assembly. The legislative team reviews and analyzes proposed legislation, communicates the effect of proposed legislation to members of the General Assembly, facilitates the communication of the department's initiatives, and assists in resolving constituent issues.

**Tax Policy:** The Office of Tax Policy reviews federal tax law updates, state regulations, and rulings to determine any impact changes may have on taxpayers and the department. The policy team is primarily responsible for many website publications, including important notices, tax manuals, and tax articles. The policy team is also responsible for researching complex tax issues and advising taxpayers and the department of potential impacts.

**Research:** This division conducts tax research and economic analyses to assist decision makers in other areas of state and local government. The Research division estimates potential revenue impacts of proposed legislation, helps develop state tax revenue forecasts, and evaluates comparative tax policies to determine fiscal effects.

**Special Investigations:** Revenue's Special Investigations (SI) Division's primary mission is to investigate internal and external attempts to corrupt tax administration, vehicle salvage and rebuilt titling schemes, civil and criminal violations relating to key tax commodities, and workplace harassment.

**Audit Division:** The Audit division is the Department's largest division with around 300 employees. Employees perform field and office audits of all tax types and process refund claims and penalty waiver applications. The division reviews taxpayer records to determine compliance with state tax laws and educates taxpayers about tax requirements.

**Collection Services Division:** This division is charged with recovering taxes that are due but have not been remitted to the state. Employees work directly with delinquent businesses and individuals to collect overdue taxes and protect against efforts to avoid payment. The division may serve levies, seize and sell assets, as well as file a tax lien to protect Tennesseans' best interests. When a taxpayer is unable to pay their tax bill or needs more time to pay in full, this division can offer payment plans and negotiate compromise offers.

**Processing:** This division processes tax returns and payments, updates taxpayer accounts, and performs lockbox services for three other state agencies.

**TR<sup>3</sup>:** The TR<sup>3</sup> Division is responsible for ensuring the department's tax system meets business and information technology needs. The new tax system was implemented in four phases, with each phase covering a group of taxes. The first phase launched on March 5, 2017. The implementation was completed when the last phase launched on May 4, 2020. The division was created after the implementation was complete. It is comprised of state Revenue employees, Strategic Technology Solutions developers, and vendor consultants.

**Taxpayer Services Division:** The Taxpayer Services division is the customer service arm of the department. This division answers taxpayer questions, educates taxpayers to improve compliance, and handles taxpayer registration, call center operations, and processing exemption applications. There are several taxpayer education opportunities held each year, including seminars and webinars.

**Vehicle Services Division:** The Vehicle Services division provides motor vehicle title and registration services to passenger and commercial motor vehicles, motorcycles, ATVs, trailers, and mobile homes. Vehicle Services works in coordination with 95 county clerks across the state on vehicle title and registration matters.

## VI. 2021-2022 Year in Review

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### *Three Sales Tax Holidays in 2021*



Tennesseans had multiple opportunities to save through three sales tax holidays in 2021.

The Tennessee General Assembly approved two new one-time holidays for 2021, in addition to the traditional sales tax holiday that takes place annually. During these holiday periods, Tennesseans could save nearly 10 percent on qualifying items.

The details of the sales tax holidays are:

- **Clothing, School Supplies, and Computers: Friday July 30- Sunday August 1, 2021:** During this weekend holiday, clothing priced at \$100 or less, school supplies priced at \$100 or less, and computers priced at \$1,500 or less are exempt from sales tax. Online purchases are included.
- **Food, Food Ingredients, and Prepared Food: Friday, July 30- Thursday, August 5, 2021:** During this week-long holiday, food, food ingredients and prepared food are exempt from sales tax. This includes qualified sales of food and prepared food at grocery stores, restaurants, and food trucks. Takeout food is included in the holiday; however, alcoholic beverages are not included.
- **Gun Safes and Safety Equipment: July 1, 2021- June 30, 2022:** During this holiday, which lasts the entire fiscal year, gun safes and specified gun safety devices sold at retail are exempt from sales tax.

## ***Tennessee Gets New License Plate Design***



Tennesseans received newly designed license plates for their motor vehicles in 2022. Tennesseans chose the new blue license plate design through a statewide vote, with the winning design receiving 42 percent of more than 300,000 votes cast.

Under Tennessee law, the standard license plate for passenger motor vehicles may be redesigned every eight years if funds are approved in the Tennessee General Assembly's budget. The blue license plate design replaces the green mountain license plate design first launched in 2006, with modifications in 2011, 2016, and 2017.

County clerks in 95 counties across Tennessee issued roughly 5.5 million new blue license plates in calendar year 2022. Motorists had the option to renew their plates in person, online through [www.tncountyclerk.com](http://www.tncountyclerk.com), or through the mail.

## ***Sales Tax Relief Available for December 2021 Storm Victims***



Residents impacted by the December 2021 severe weather were potentially eligible for sales tax refunds on home appliances, home furniture, and home building supplies, after rebuilding from the storms.

To be eligible for a refund, residents must be receiving financial assistance from the Federal Emergency Management Agency (FEMA) for the repair, replacement, or construction of their primary home that was damaged or destroyed. To receive a refund, the Tennessee resident must file a claim with the Department on its TNTAP website. Claims can be filed up to one year from the date on the FEMA decision letter.

Here's what is needed to file a claim on TNTAP:

- Eligible items are major appliances purchased for \$3,200 or less, residential furniture purchased for \$3,200 or less, and residential building supplies purchased for \$500 or less.
- The maximum amount of refund available to any one residence is \$2,500.
- A person can file only **ONE** claim for a primary residence. The claim should include all Tennessee sales and use tax paid, up to \$2,500, to all retailers for any eligible items. **Receipts and invoices should be compiled and tracked so that all eligible items purchased after the date of the disaster from all retailers can be submitted at one time.**

For a step-by-step guide on filing a sales tax refund claim, and for answers to some of the frequently asked questions about this refund, visit our website at <https://www.tn.gov/revenue/taxes/sales-and-use-tax/natural-disaster-sales-tax-relief.html>.

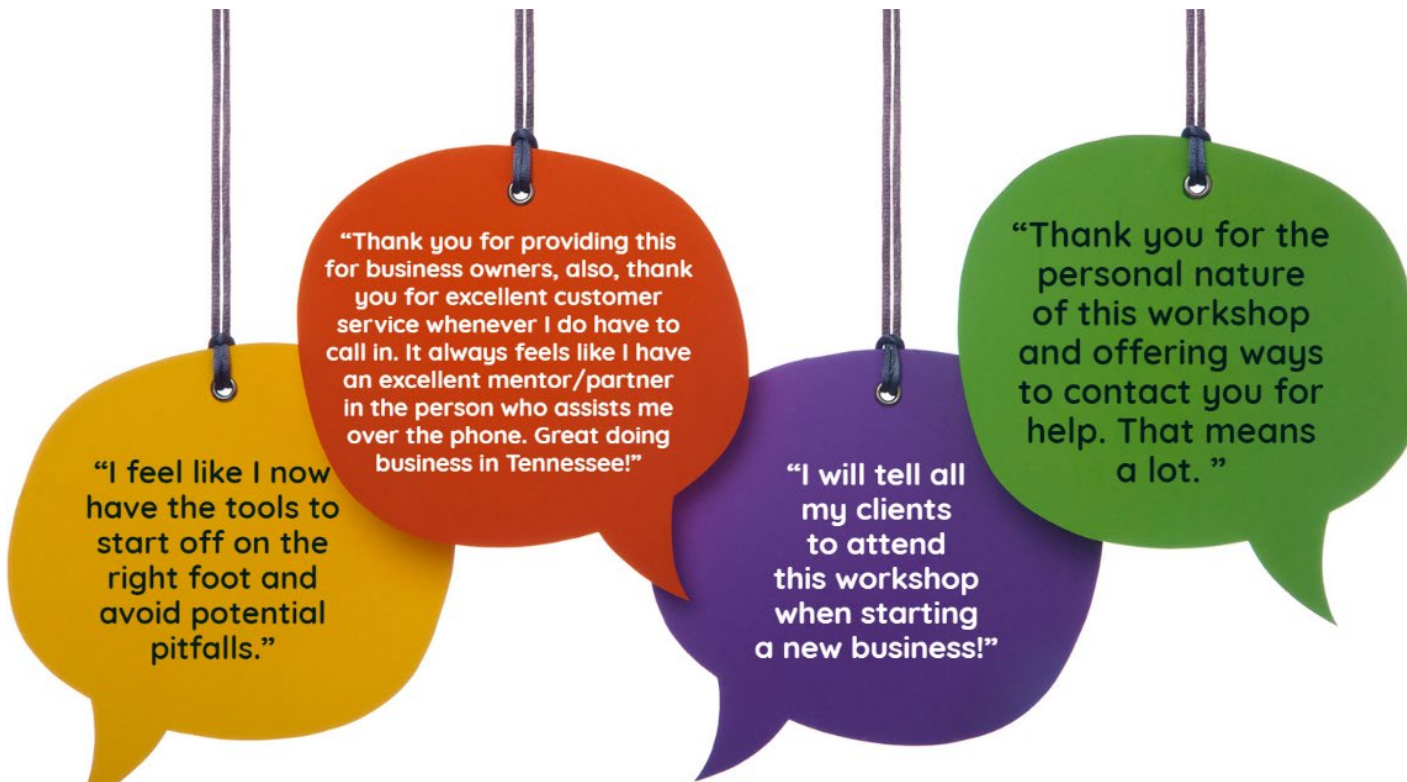
## ***Quarterly Webinars Added for New Business Owners***



The Department of Revenue added a quarterly webinar designed specifically for new businesses to its virtual taxpayer education offerings. During this webinar, participants learn about state tax obligations for new businesses in Tennessee and other resources that may help their business. Topics discussed include brief overviews of tax registration, sales and use tax, business tax, franchise and excise taxes, and how to get help from the Department of Revenue and other relevant state agencies.

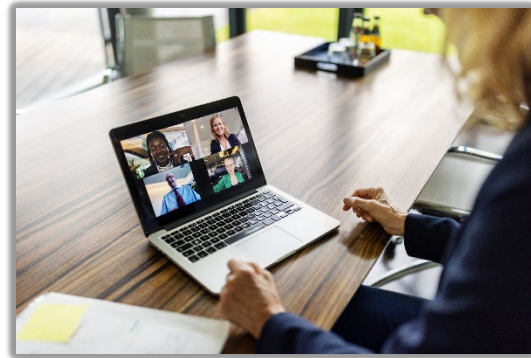
The Department held its first new business webinar in fiscal year 2022. Total attendance was 177, with 97 of those people attending from rural counties. When surveyed, 96 percent of participants found the workshop helpful.

Feedback included these positive comments:





## ***Free Monthly Tax Education Webinars Continue***



The Department of Revenue continued offering free monthly webinars on various tax topics in fiscal year 2022, reaching thousands of participants across the state and around the country.

These live, virtual events offer tax practitioners, attorneys, accountants, and taxpayers the opportunity to learn more in-depth information about a topic and ask questions. They are also an efficient and convenient way for the Department to administer taxpayer education to taxpayers and tax professionals.

During fiscal year 2022, nearly 7,000 people attended Department of Revenue webinars. When surveyed, 98 percent of participants said they found the webinars to be helpful.

Tax topics covered during fiscal year 2022 webinars included:

- 2021 Legislative Updates
- Services Subject to Sales Tax in Tennessee
- Sales and Use Tax for Specified Digital Products in Tennessee
- Completing Your Sales Tax Return
- Tax Registration and Reporting for Special Events in Tennessee
- Reporting Sales Tax by Destination
- TNTAP Overview
- F&E: Filing the \$100 Minimum Return, Extensions, and Estimated Payments
- Preparing the Business Tax Return
- Professional Privilege Tax
- Sales Tax Issues for Contractors
- Sales Tax Credits for Data Centers and Headquarters

Below are some of the comments the Department received when surveying participants about the webinars after they took place:

“  
The webinar has me thinking about additional things we should consider to remain compliant. Webinars help with this.  
”

“  
I attend every state's webinars, and you guys are the best.  
”

“  
I also appreciate that the TN DOR has clearly made friendliness and helpfulness a priority in dealing with TN businesses.  
”

“  
I'm looking forward to next month's webinar and am very appreciative of the webinar library and other resources available on the website.  
”

“  
Y'all do a great job explaining tax concepts in a friendly relatable way!  
”

“  
I'm impressed by the amount and quality of the taxpayer guidance that is available in Tennessee.  
”

“  
This was an EXCELLENT use of my time -- THANK YOU for the thorough and concisely presented information.  
”

“  
Friendliest state revenue tax group!  
”

“  
I have been to many webinars presented by different agencies. TNDOR is by far the best and most clear!  
”

## *Revenue Reduces Office Space; Employees Adopt Hybrid Work Model*



The COVID-19 pandemic forced many employers—including the Department of Revenue – to send most of its workforce to work from home five days a week.

As things slowly began to return to normal in fiscal year 2022, many employees have returned to the office, while also continuing to work from home part of the time. This allows employees to have a greater work-life balance, while also ensuring they still have time to meet face-to-face to train, have meetings, and collaborate on projects.

Having fewer employees physically working in the office gave the Department an opportunity to evaluate the use of its office buildings, reduce space, and save taxpayer money. In recent months, the Department has reduced leased space in Tennessee by **60 percent** without closing any offices or eliminating any employee positions.

By April 2024, the Department plans to reduce its out-of-state footprint by around **62 percent** by closing four of six offices. In the out-of-state offices, the Department plans to look at co-working space arrangements that will allow employees to meet with one another, as well as taxpayers.

## ***Employees Gather for Training at Revenue United Conference***



Hundreds of Revenue employees had the chance to gather to train and collaborate in an all-employee conference held at the Sheraton Music City hotel in November 2021.

This hybrid event had in-person and virtual components so all employees could participate. The training event allowed employees to collaborate across divisions and office locations. For many, it provided the first time in 18 months they were able to connect in person.

Highlights of the employee conference included presentations from Revenue's executive leadership team, keynote speeches from Mack Munroe about customer service and Jeff Stiles about leadership, and motivational speeches from several Revenue employees.

The conference also provided Revenue employees the opportunity to participate in service activities to support Vanderbilt Children's Hospital and Jessie's Desk, a service organization created to provide school supplies for children.

## ***Vehicle Title & Registration: Most Popular Specialty Plates***

Below is information about each of the 10 most popular license plates for fiscal year 2022. Specialty plates require a \$61.50 annual fee. \$35 of that fee is allocated to the Tennessee Arts Commission, the plate's respective beneficiary, and the Highway Fund.

### **1. Friends of Sycamore Shoals Historic Area, Inc.**



28,616 total plates  
\$478,924.60 to beneficiary

### **2. Friends of the Smokies**



26,856 total plates  
\$912,564.70 to beneficiary



### 3. American Eagle Foundation



17,429 total plates  
\$297,067.70 to beneficiary

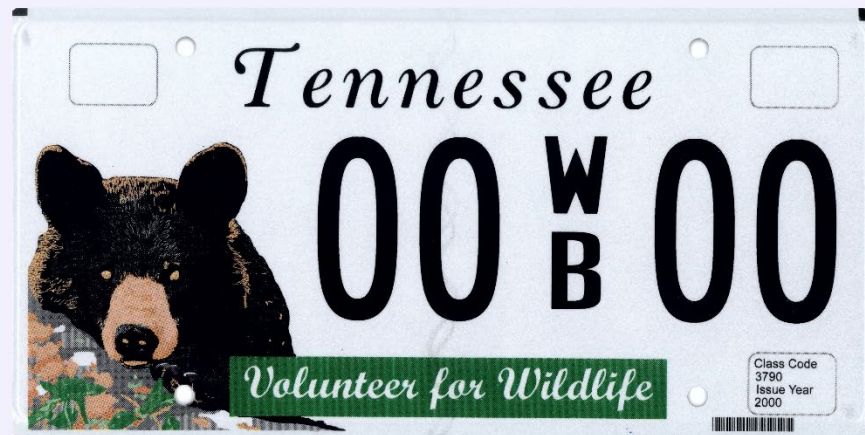
### 4. Agriculture



16,877 total plates  
\$576,207 to beneficiary

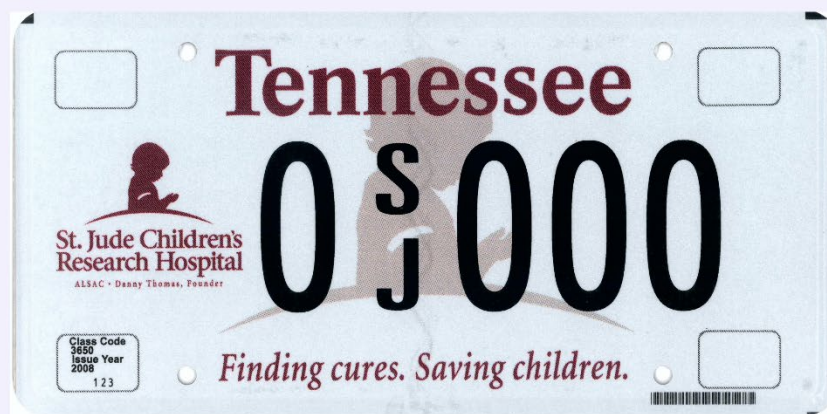


## 5. Fish and Wildlife Species



14,025 total plates  
\$239,911.85 to beneficiary

## 6. St. Jude Children's Research Hospital



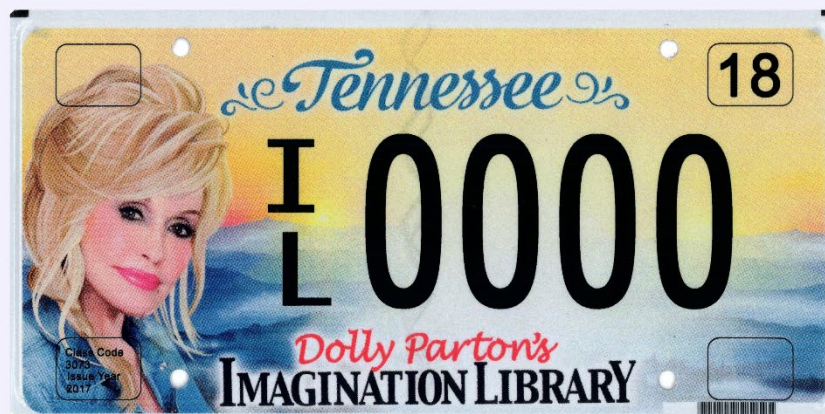
9,052 total plates  
\$314,499.20 to beneficiary

## 7. Driving to a Cure (Breast Cancer Awareness)



8,435 total plates  
\$145,839.20 to beneficiary

## 8. Dollywood Foundation



8,037 total plates  
\$134,896.30 to beneficiary



## 9. Animal Friendly



7,846 total plates  
\$135,245.30 to beneficiary

## 10. Tennessee Arts Commission (Fish, Cats, Rainbow)



7,812 total plates  
\$264,412.40 to beneficiary

## VII. 2022 Legislative Changes of Note

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Each year, the General Assembly approves several bills that impact both the Department of Revenue and taxpayers across the state.

Below are some highlights of legislative changes to Tennessee tax law that occurred in 2022. You may read a full list of legislative summaries from the 2022 General Assembly on the department's website at [www.tn.gov/revenue/legislation](http://www.tn.gov/revenue/legislation).



### **2022 Sales Tax Holiday for Food and Food Ingredients**

[Public Chapter 1131](#) exempts from sales tax the retail sale of food and food ingredients sold between Monday, August 1, 2022, and Wednesday, August 31, 2022.

Effective Date: July 1, 2022



### **Sales Tax Holiday Extension for Gun Safes and Safety Devices**

[Public Chapter 1053](#) extends the sales tax holiday for the retail sale of gun safes and certain gun safety devices until June 30, 2023.

Effective Date: May 25, 2022



### **Vendors Compensation Deduction**

[Public Chapter 1082](#) provides a sales and use tax deduction to compensate dealers registered in Tennessee for the accounting and remitting of sales and use tax. The public chapter allows dealers a deduction equal to 2 percent of the state tax due, not to exceed \$25 per return. Vendor's compensation does not apply to local sales tax.

Effective Dates: July 1, 2022, to June 30, 2023

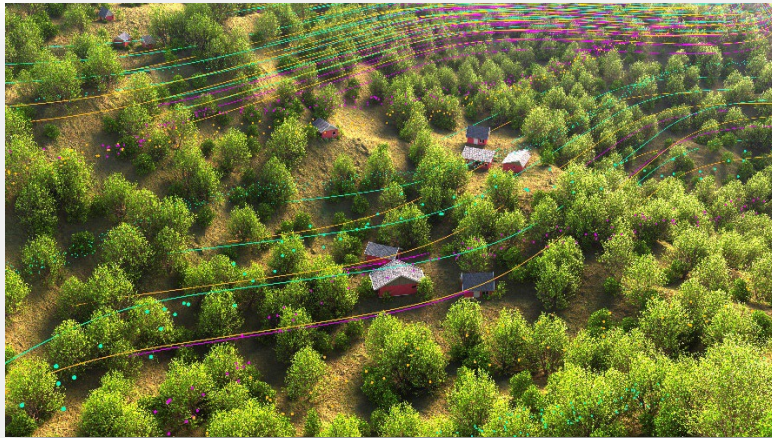


### **Farm Equipment and Machinery Exemption Expansion**

[Public Chapter 1104](#) expands the sales and use tax exemption for sales made to qualified farmers and nurserymen. The public chapter rewrites Tenn. Code Ann. § 67-6-207 to replace the previous enumerated list of exempt property by instead specifying that sales and use tax will not be due from the sale at retail, lease, rental, use, consumption, distribution, repair, or storage for use or consumption in this state of tangible personal property, including building material, repair service, labor, warranty, software when primarily used in agricultural operations. The exemption continues to not apply to the sale of automobiles, trucks, household appliances, and gasoline or diesel used in vehicles operated upon the public highways of this state. This public chapter does not exempt tangible personal property, including building material, repair service, labor, warranty, software, or any other item taxable under this chapter from the tax imposed by § 67-6-209 (contractor's use tax).

Effective Date: January 1, 2023

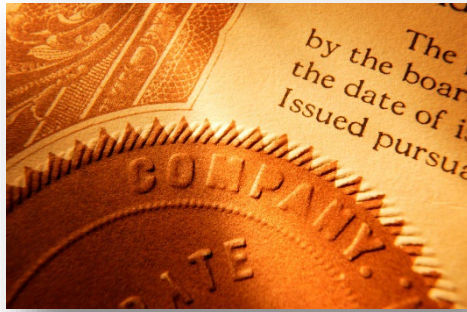




### **Tennessee Broadband Investment Maximization Act of 2022**

[Public Chapter 1102](#) creates a three-year sales and use tax exemption for purchases and leases of all equipment, machinery, software, ancillary components, appurtenances, accessories, or other infrastructure that is used in whole or in part by broadband communications service providers or internet access service providers to produce broadband communications services and provide internet access. It also requires the department to reimburse municipalities and counties for any loss of revenue resulting from the tax exemption.

Effective Dates: July 1, 2022, to June 30, 2025



### **Business Tax Wholesaler/Retailer Certificate**

[Public Chapter 683](#) requires the Department to make available to a taxpayer that filed a business tax return a certificate that indicates whether the taxpayer reported tax due at the wholesaler or the retailer rate and which the taxpayer can provide to vendors to assist with the administration of business tax.

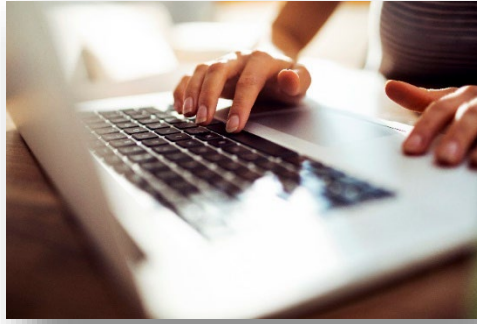
Effective Date: January 1, 2023



### **Coins, Currency, and Bullion Exemption**

[Public Chapter 1092](#) exempts certain sales of coins, currency, and bullion manufactured from gold, silver, platinum, palladium, and other materials from sales and use tax.

Effective Date: May 27, 2022



### **Sales and Use Tax Exemption for Computer Software Developed for Personal Use**

[Public Chapter 1065](#) extends the sales and use tax exemption for computer software developed for personal use to include the fabrication, installation, and repair of computer software performed by an agent of the business.

Effective Date: July 1, 2022



### **State Registration Fee Waiver**

[Public Chapter 1143](#) creates a waiver for the registration fee for a Class A or Class B motor vehicle upon the renewal of the motor vehicle's registration if the renewal occurs during the period of time beginning July 1, 2022 and ending June 30, 2023. The fee waived is the Class A's registration fee of \$16.75, and Class B's registration fee of \$23.75.

Effective Dates: July 1, 2022, to June 30, 2023

## VII. Annual Accomplishments

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FY 21-22

**Collected &  
Distributed**

**\$25.2  
BILLION  
IN REVENUE**

**Processed**

**2.1  
MILLION TAX  
RETURNS**

**TN** Department of  
**Revenue**



**TN**

Department of  
Revenue

**FY 21-22**

**Tax Audit  
Reviewed**

**30,795  
Accounts**

**Assessed  
Approximately**

**\$176  
Million**

**FY 21-22**

**470,340**  
Calls Handled

*Taxpayer Services*

**63,727**

Online Help Tickets Solved



TN

Department of  
Revenue

FY 21-22

Collection  
Services

**COLLECTED MORE  
THAN \$188 MILLION  
AND RESOLVED  
MORE THAN 305  
THOUSAND CASES**

Helped  
Taxpayers

**BY MANAGING MORE  
THAN 3,300  
INSTALLMENT PAYMENT  
PLANS**

**TN**

Department of  
**Revenue**

**FY 21-22**

**Vehicle Services  
Registered**

**8,057,119  
VEHICLES**

**Representing**

**\$370 MILLION  
IN REVENUE**

## IX. Tax Data

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The Department of Revenue collects more than 25 state taxes and fees. The following table provides a breakdown of those collections. Some totals may differ due to rounding.

### *State Revenue Sources:*

<b>Tax Class</b>	<b>FY21 Collections</b>	<b>FY22 Collections</b>	<b>% Change</b>
Sales and Use	\$11,021,317,413	\$12,829,142,898	16.40%
Franchise & Excise	\$3,946,143,885	\$4,534,504,147	14.91%
Fuel Taxes <sup>1</sup>	\$1,210,808,474	\$1,274,054,800	5.22%
Privilege	\$542,056,503	\$682,046,904	25.83%
TVA	\$345,006,256	\$340,277,827	-1.37%
Motor Vehicle Taxes <sup>2</sup>	\$382,687,097	\$393,804,317	2.91%
Alcohol & Tobacco Taxes <sup>3</sup>	\$455,303,031	\$522,571,348	14.77%
Hall Income Tax	\$179,378,537	\$9,479,534	-94.72%
Business	\$263,550,852	\$282,713,361	7.27%
Other <sup>4</sup>	\$31,721,008	\$30,043,070	-5.29%
<b>Total</b>	<b>\$18,377,973,056</b>	<b>\$20,898,638,207</b>	<b>13.72%</b>

<sup>1</sup>Gasoline, Motor Fuel, Petroleum Special

<sup>2</sup>Motor Vehicle Registration, Motor Vehicle Title

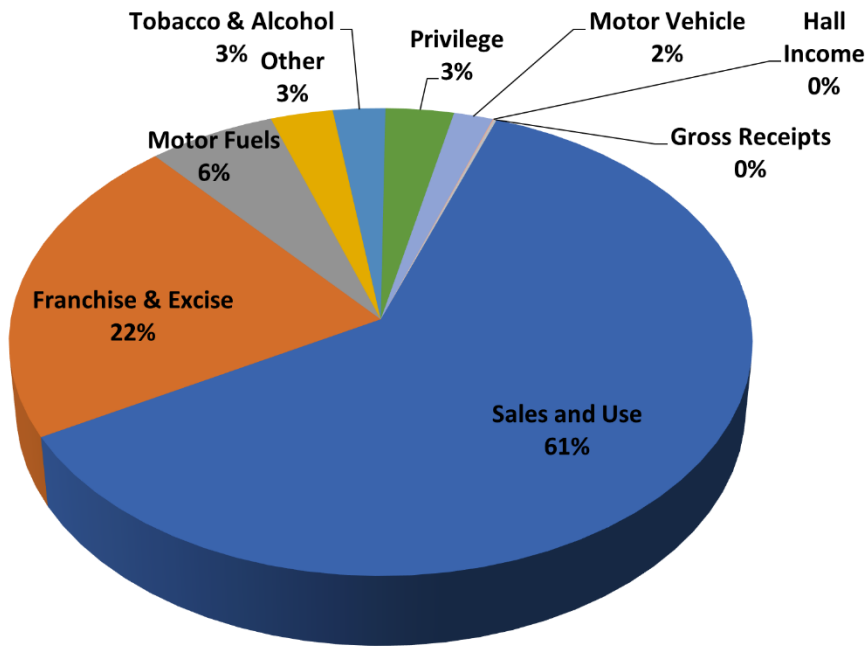
<sup>3</sup>Tobacco, Mixed Drink, Alcoholic Beverage, Beer

<sup>4</sup>Unauthorized Substance, Gross Receipts, Coin Amusement, Inheritance Gift & Estate, Gas & Oil Severance

### *Local Revenue Sources:*

<b>Tax Class</b>	<b>FY21 Collections</b>	<b>FY22 Collections</b>	<b>% Change</b>
Local Sales Tax	\$3,447,466,540	\$4,009,047,362	16.29%
Local Business Tax	\$253,746,883	\$280,957,792	10.72%
Local Business Tax Fees	\$26,701,653	\$29,051,760	8.80%
Mineral Tax	\$6,680,795	\$7,020,303	5.08%
Coal Severance	\$10,051	\$242	-97.60%
<b>Total</b>	<b>\$3,734,615,922</b>	<b>\$4,326,077,457</b>	<b>15.84%</b>

## Breakdown of State Revenue Sources: Revenue by Source- FY2022



<sup>1</sup>Gasoline, \$877,628,660  
Motor Fuel, \$325,165,743  
Petroleum Special, \$71,260,398

<sup>2</sup>Motor Vehicle Registration, \$370,286,823  
Motor Vehicle Title, \$23,517,494

<sup>3</sup>Tobacco, \$228,231,342  
Mixed Drink, \$187,168,561  
Alcoholic Beverage, \$88,149,258  
Beer, \$19,022,186

Privilege, \$682,046,904

Business, \$282,713,361

TVA, \$340,277,827

<sup>4</sup>Inheritance Gift & Estate, \$639,626,  
Coin Amusement, \$379,820,  
Gas & Oil Severance, \$307,636  
Unauthorized Substance, \$44,905

Sales and Use, \$12,829,142,898

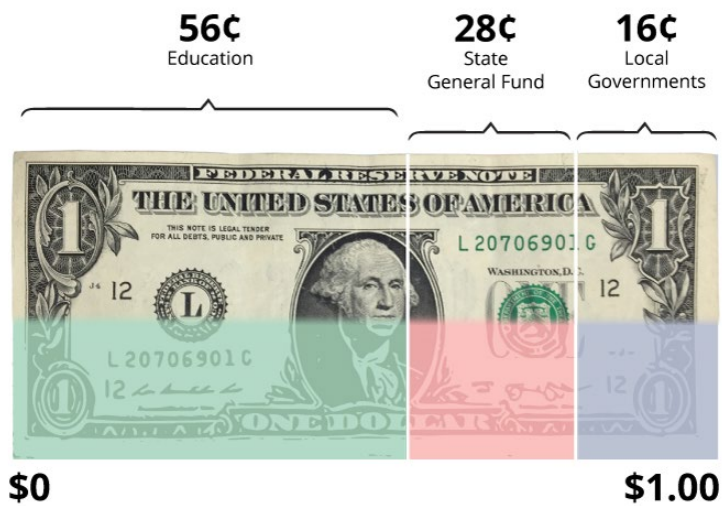
Franchise and Excise Tax, \$4,534,504,147

Hall Income Tax, \$9,479,534

\*Totals do not add up to 100% due to rounding

## Where the Money Goes

### How Each Sales Tax dollar is spent:



\*Education portion includes state sales tax and local sales tax collections combined

## Here's a Breakdown of How Money Is Allocated for Each Tax

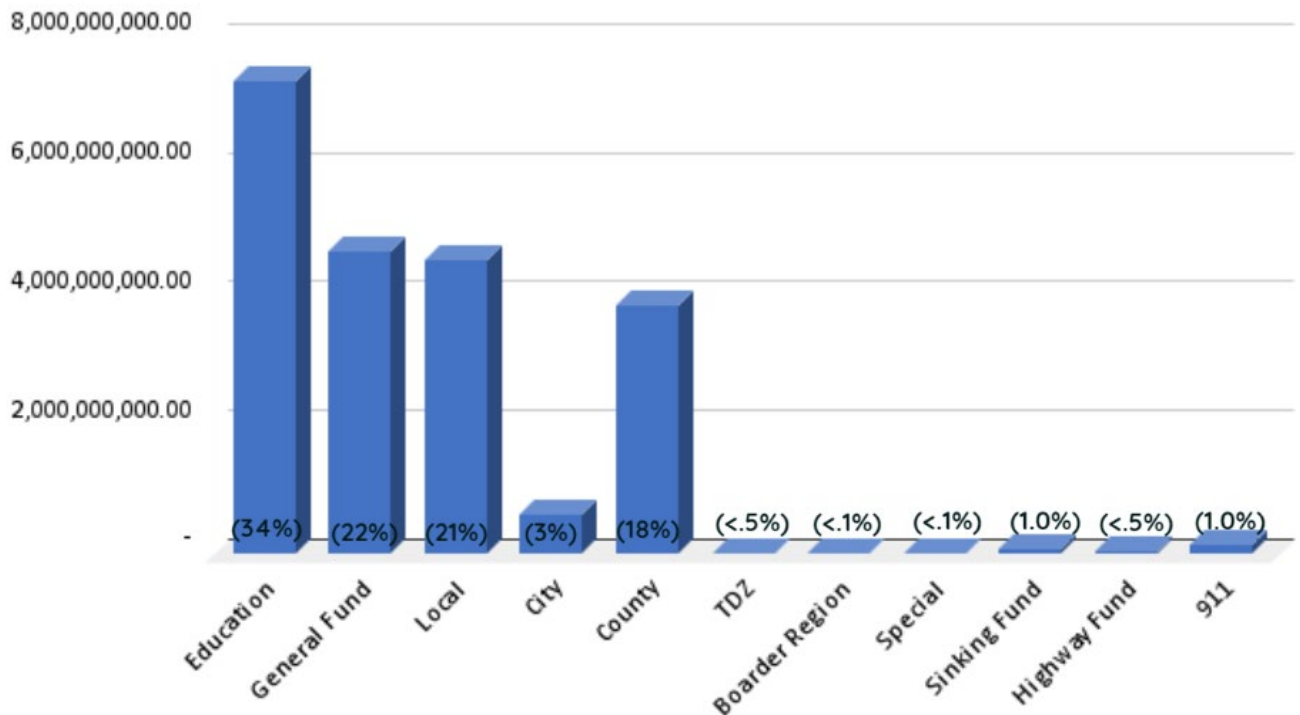
\*Totals may differ due to rounding

### Sales and Use Tax:

#### FY 2022 State and Local Allocations

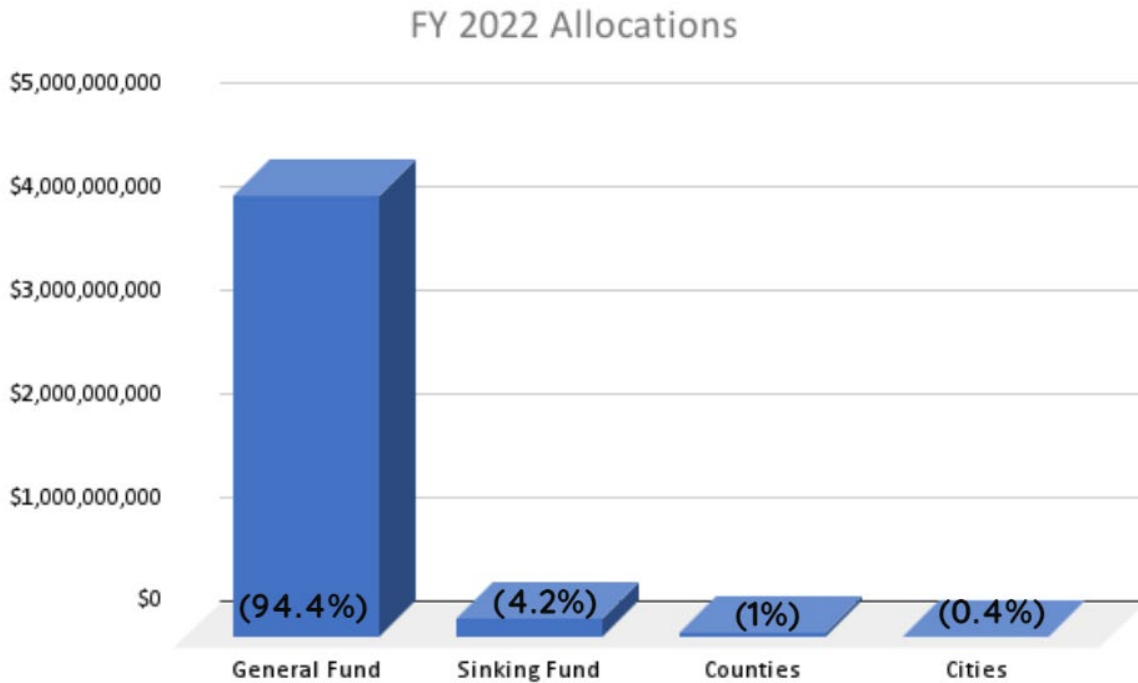
Fund	Allocation
Education	\$7,333,355,147
General	\$4,688,982,093
Local:	
County	\$3,876,682,685
City	\$623,969,540
Tourist Development Zone	\$29,397,841
Border Region TDZ	\$16,344,650
Special	\$763,148
Sinking Fund	\$90,384,774
Highway Fund	\$31,075,511
911	\$147,234,870
<b>Total:</b>	<b>\$16,838,190,260</b>

#### FY 2022 Allocations



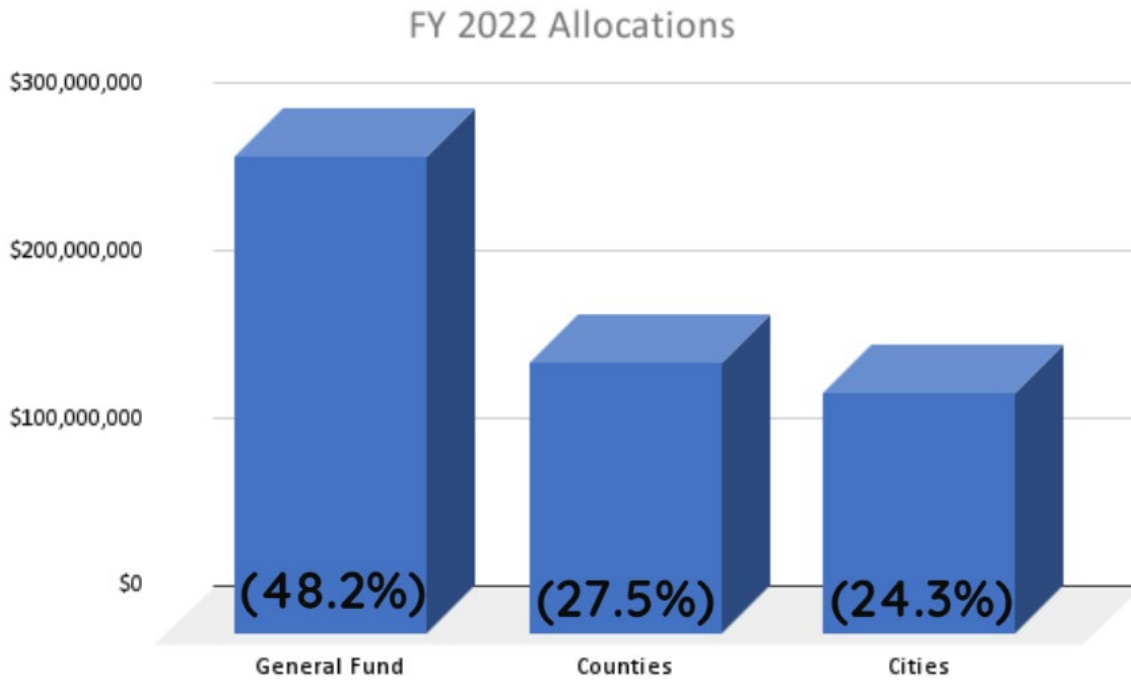


## Franchise and Excise Tax



<b>Fund</b>	<b>Allocation</b>
General Fund	\$4,280,056,912
Sinking Fund	\$192,700,000
Counties	\$45,739,507
Cities	\$16,007,728
<b>Total:</b>	<b>\$4,534,504,147</b>

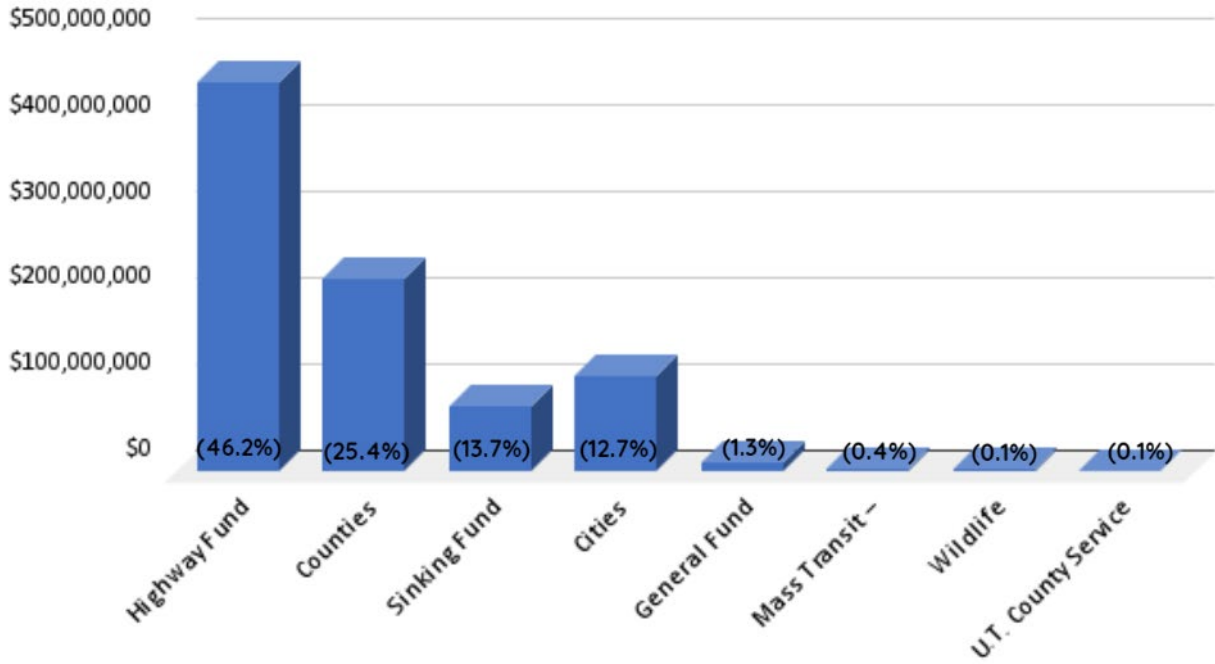
## Business Tax



<b>Fund</b>	<b>Allocation</b>
General Fund	\$285,874,136
Counties	\$162,774,340
Cities	\$144,074,436
<b>Total:</b>	<b>\$592,722,912</b>

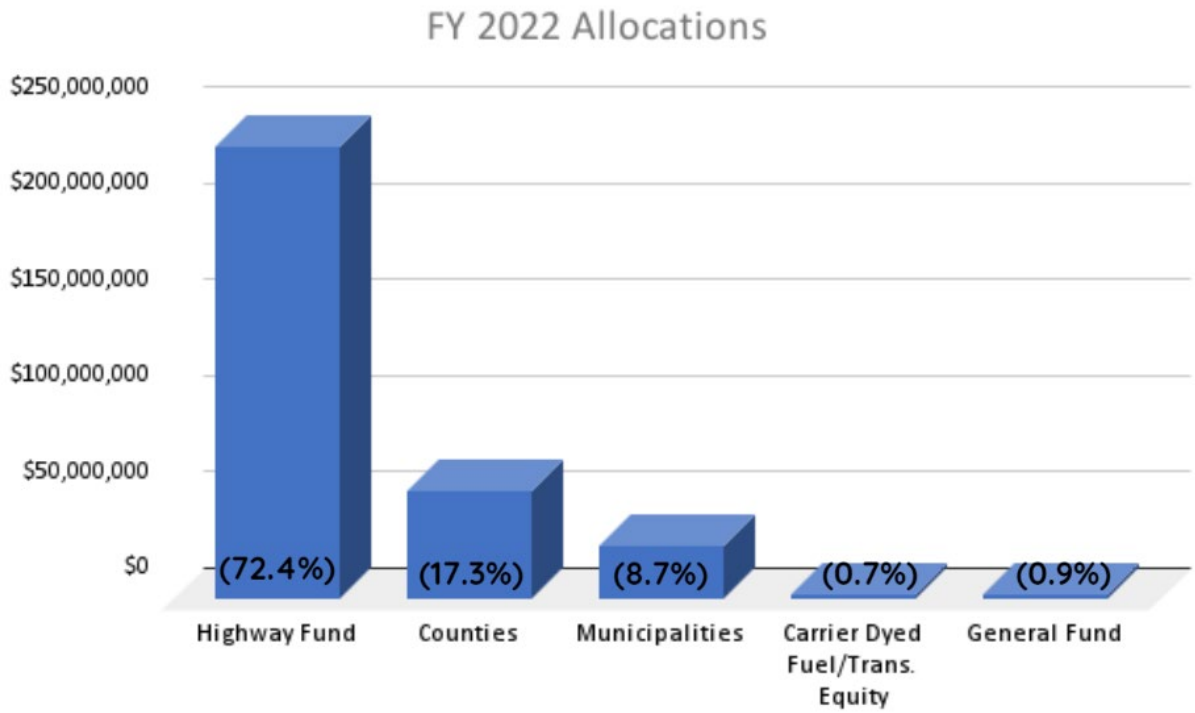
# Gasoline Tax

## FY 2022 Allocations



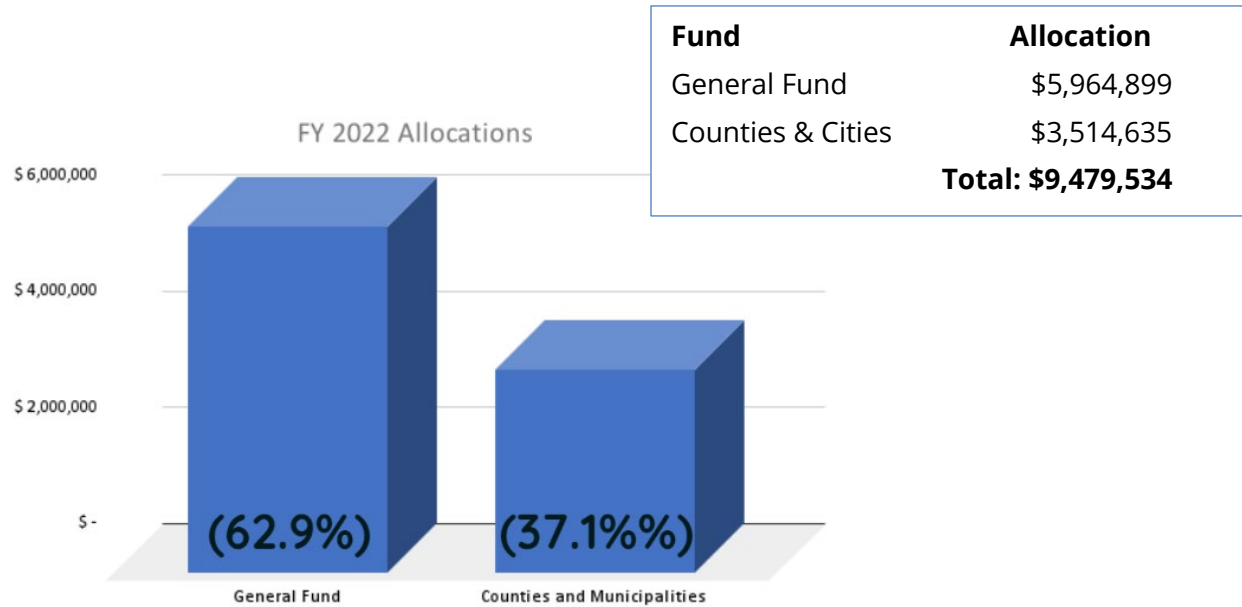
<b>Fund</b>	<b>Allocation</b>
Highway	\$452,138,311
Counties	\$222,406,542
Sinking	\$76,000,000
Cities	\$111,593,406
General	\$9,325,219
Mass Transit	\$2,940,000
Wildlife Resources	\$2,886,182
U.T. County Service	\$339,000
<b>Total:</b>	<b>\$877,628,660</b>

## Motor Fuel Taxes



<b>Fund</b>	<b>Allocation</b>
Highway Fund	\$235,527,026
Counties	\$56,130,147
Cities	\$28,131,383
General Fund	\$3,058,704
Trans. Equity	\$2,318,483
<b>Total:</b>	<b>\$325,165,743</b>

## Hall Income Tax



## Privilege Tax

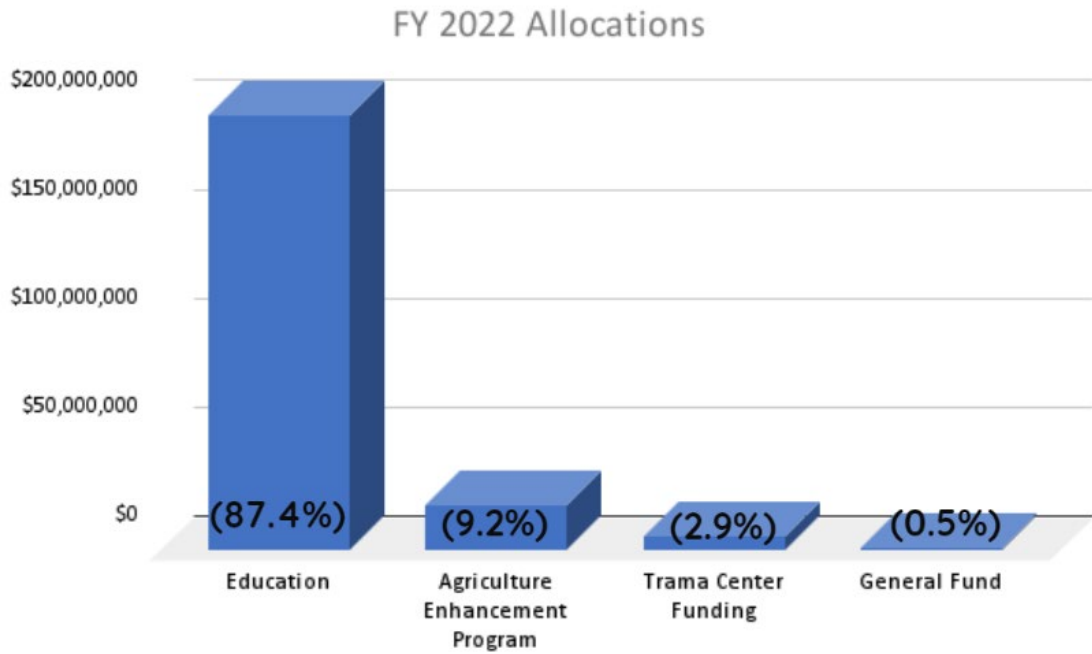
<b>Litigation Fees and Tax</b>	<b>\$13,628,536.26</b>
TBI Drug Chemistry Unit Drug Testing Fund	\$3,399,554.07
TBI Toxicology Unit Intoxicant Testing Fund	\$2,843,877.39
General Fund	\$1,571,561.46
General Fund for TBI	\$1,010,900.08
Dept. of Health Alcohol and Drug Treatment Fund	\$1,352,201.59
Dept. of Health Drug Treatment Program	\$1,095,374.20
Critical Injury Compensation	\$976,678.37
Victim Notification Fund	\$605,794.12
Municipal Training Education	\$283,452.73
Judicial Commissioners Association of TN for Education	\$253,835.66
Drug Court Resources Fund	\$111,270.93
Sexual Assault Program	\$66,325.46
Family Violence Shelters	\$24,948.76
Traumatic Brain Injury Program	\$4,375.16
Veteran Drug Court	\$26,851.45
Domestic Violence Fund	\$1,534.83



**Privilege Tax:**

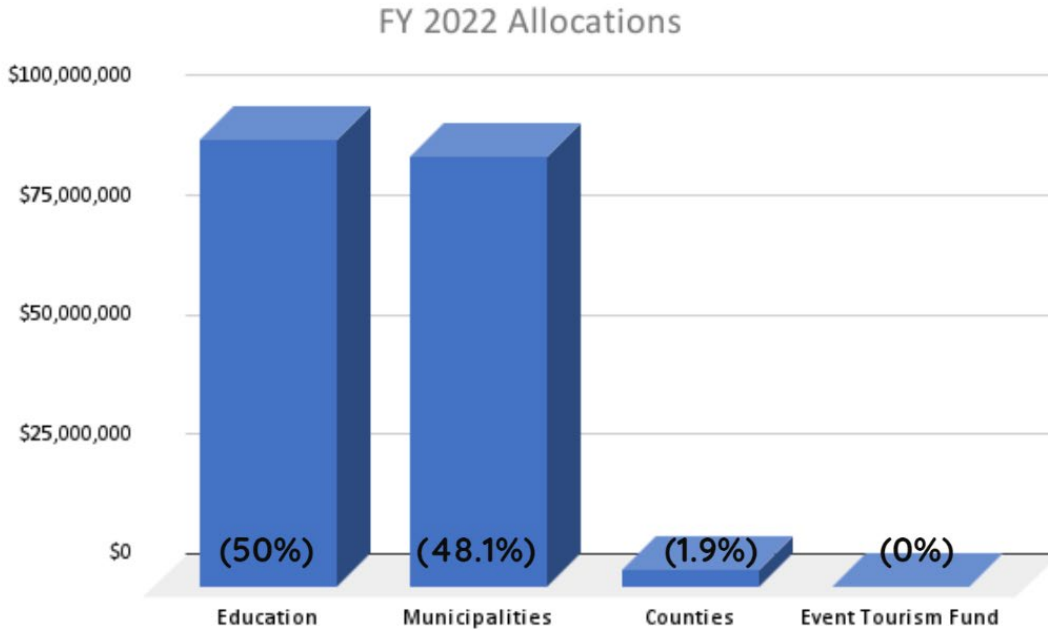
<b>Professional Privilege Tax</b>	<b>\$94,080,607.80</b>
General Fund	\$94,080,607.80
<b>Marriage License Fee</b>	<b>\$3,298,118.98</b>
General Fund	\$813,052.84
Tennessee Disability Coalition	\$849,064.27
Child Abuse Prevention	\$621,267
Domestic Violence Services	\$310,633
Parenting Fund	\$289,924
Tennessee Alliance of Boys & Girls Clubs	\$165,671
TN Chapter of the National Association of Social Workers	\$124,253
Tennessee Court Appointed Special Advocates Assoc. (CASA)	\$124,253
<b>Bail Bond Tax</b>	<b>\$1,273,211.43</b>
Civil Legal Representation Fund	\$1,222,282.97
Bail Bonds Continuing Education Class	\$50,928.46
<b>Realty Taxes</b>	<b>\$522,659,971.42</b>
General Fund	\$365,393,843.61
Housing	\$77,555,688.17
Wetlands	\$32,382,366.11
Local Park Land	\$17,436,658.67
State Land Acquisition	\$14,945,707.43
Agriculture Resources Conservation	\$14,945,707.43
<b>Tire and Used Oil Taxes</b>	<b>\$28,531,225.24</b>
General Fund	\$18,656,172.59
County Tire Payments	\$6,125,326.26
Solid Waste Management ECD Tire	\$1,645,080.50
Tire Environmental Fund	\$1,236,396.84
Used Oil Collection Fund	\$868,249.05
<b>Fantasy Sports Tax</b>	<b>\$321,805.90</b>
General Fund	\$225,264.14
Counties	\$64,361.18
Fantasy Sports Fund	\$32,180.58

## Tobacco Tax



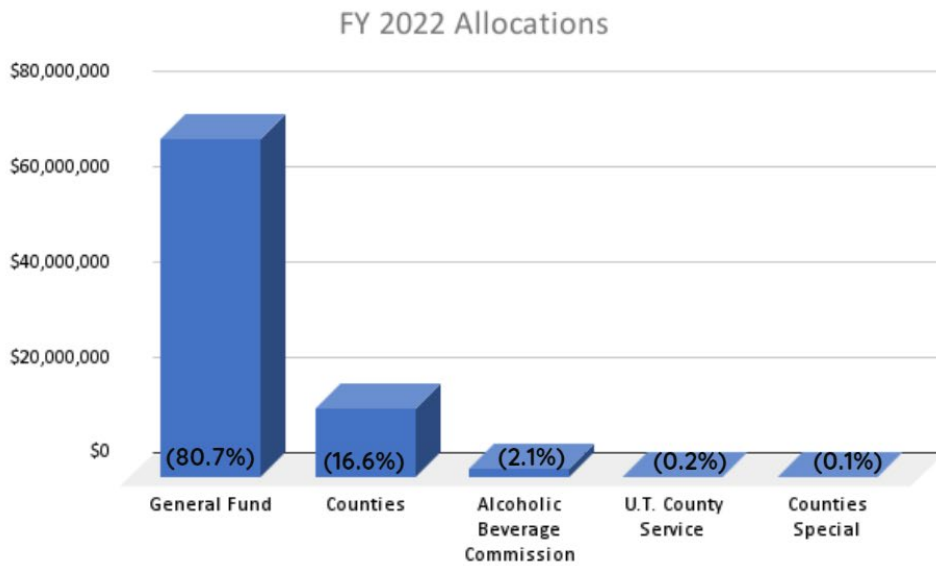
<b>Fund</b>	<b>Allocation</b>
Education Fund	\$199,496,104
Ag. Enhancement Prog.	\$21,000,000
Trauma Center Funding	\$6,565,293
General Fund	\$1,169,946
<b>Total:</b>	<b>\$228,231,342</b>

## Mix Drink (Liquor-by-the-drink) Tax



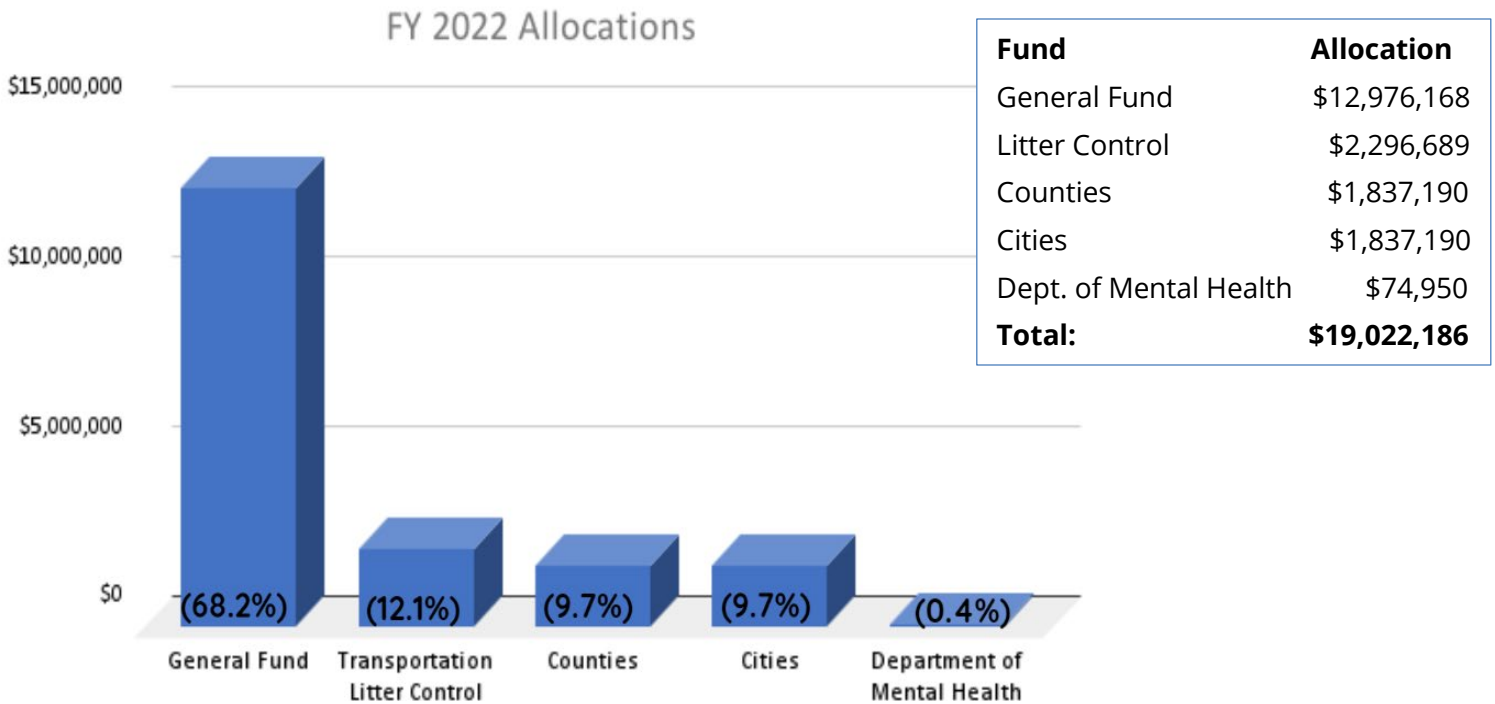
<b>Fund</b>	<b>Allocation</b>
Education	\$93,580,437
Cities	\$90,050,089
Counties	\$3,538,036
Event/Tourism	\$0
<b>Total: \$187,168,561</b>	

## Alcoholic Beverage Tax

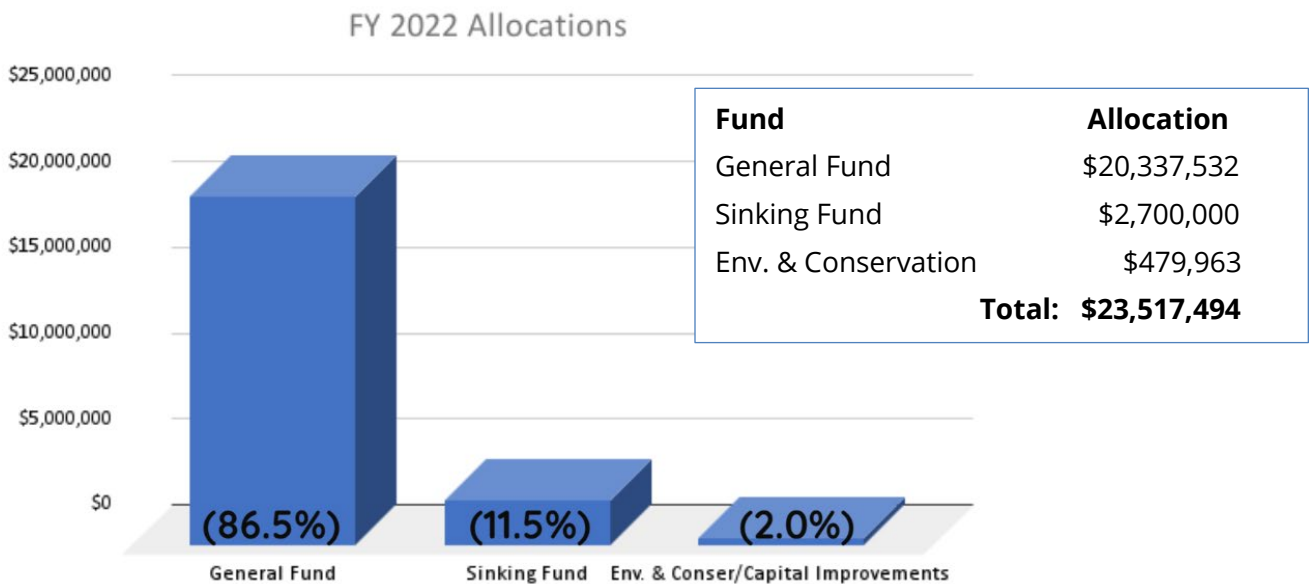


<b>Fund</b>	<b>Allocation</b>
General Fund	\$71,137,818
Counties	\$14,664,360
ABC	\$1,887,240
U.T. County Service	\$192,000
Counties Special	\$267,840
<b>Total:</b>	<b>\$88,149,258</b>

## Beer Taxes



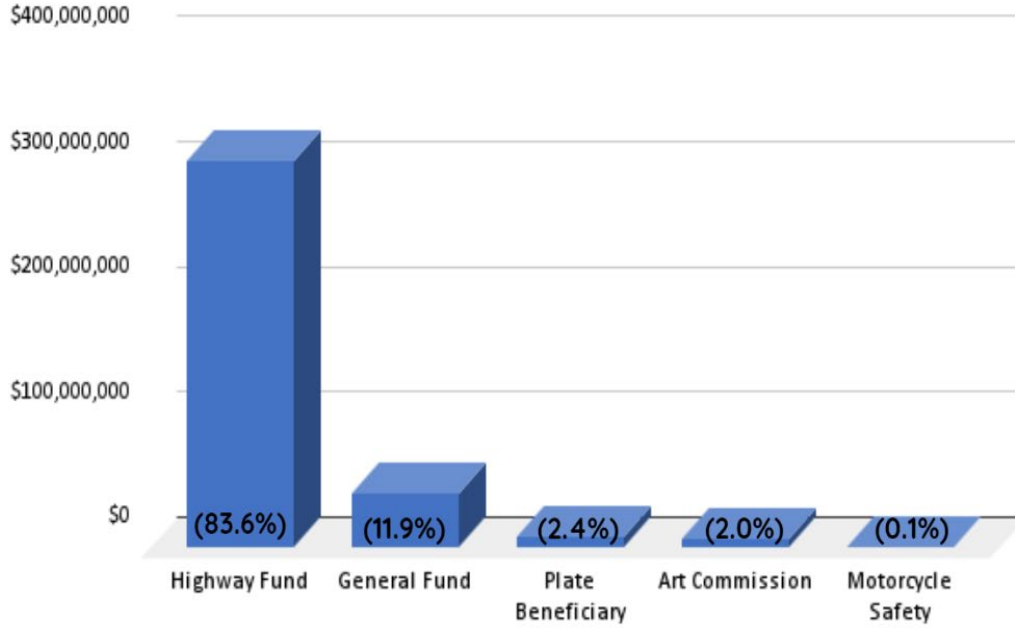
## Motor Vehicle Title Fee





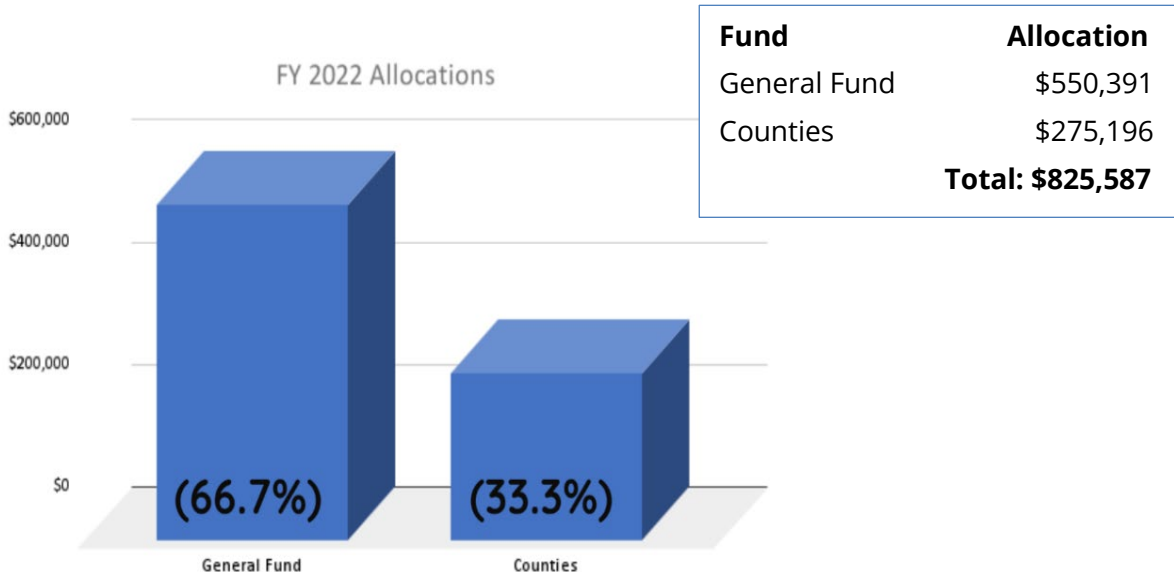
# Motor Vehicle Registration

## FY 2022 Allocations

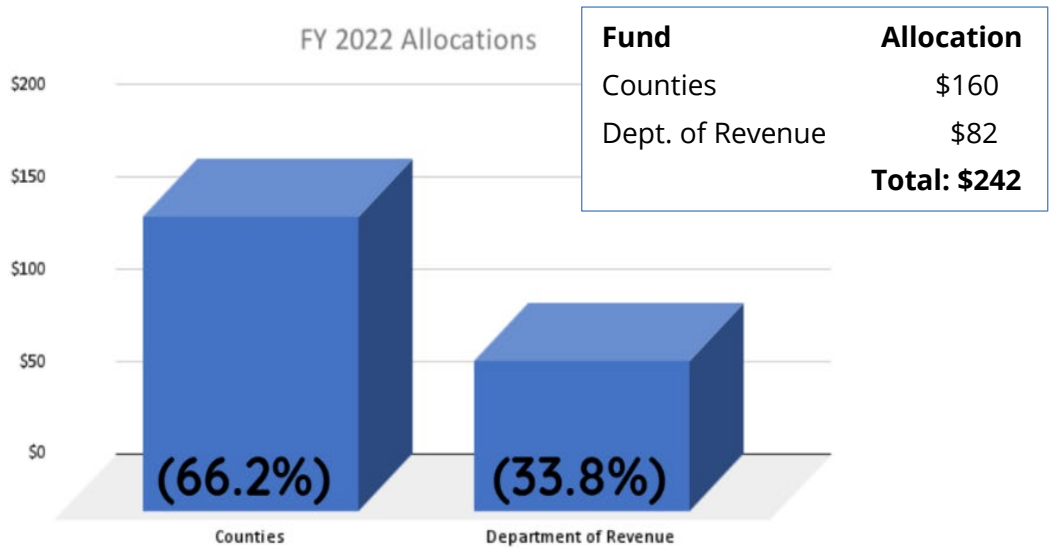


<b>Fund</b>	<b>Allocation</b>
Highway Fund	\$309,455,155
General Fund	\$44,210,477
Plate Beneficiary	\$8,899,785
Art Commission	\$7,358,187
Motorcycle Safety	\$363,218
<b>Total:</b>	<b>\$370,286,823</b>

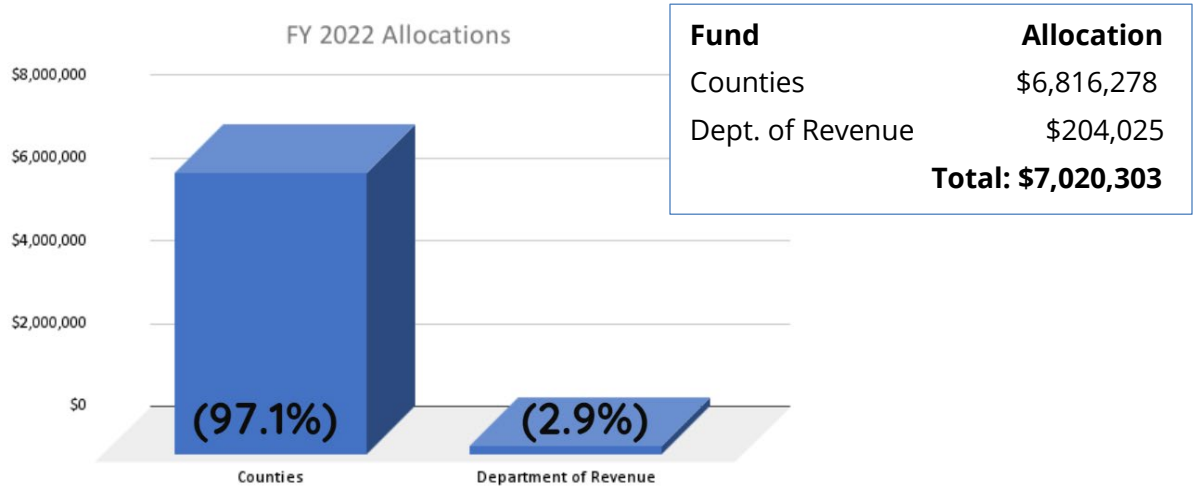
## Gas & Oil Severance Tax



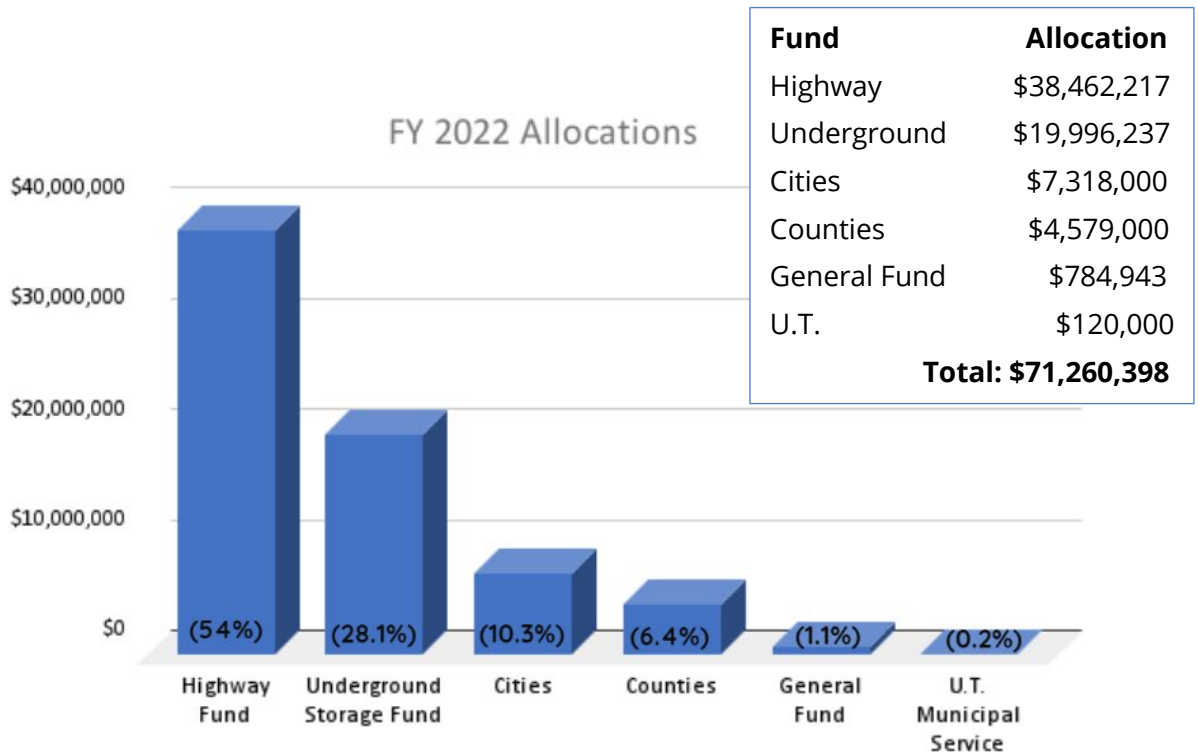
## Coal Severance Tax



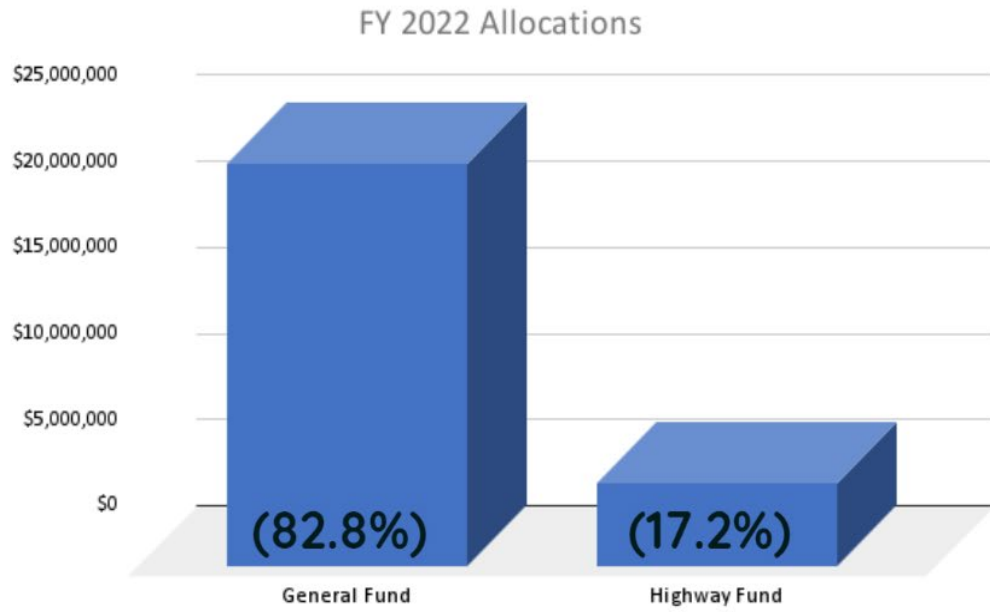
## Mineral Severance Tax



## Petroleum Special Tax



## Gross Receipts Tax



<b>Fund</b>	<b>Allocation</b>
General Fund	\$23,370,674
Highway Fund	\$4,854,642
<b>Total:</b>	<b>\$28,225,316</b>

# X. Employee Talent Management and Development

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## *Revenue Leadership Academy*

Revenue continued its talent management initiative with a focus on employee engagement and retention, succession planning, and leadership development. The department held its seventh Revenue Leadership Academy (RLA) that ran from July to December 2021 as part of the talent management initiative.



### *Revenue Leadership Academy, December 2021 Class*

- **Kimberly Collins (Audit, Johnson City)**
- **Tiffany Crawford (Audit, Nashville)**
- **Blake Davis (Administration-Special Investigations, Nashville)**
- **Nick DeVan (Taxpayer Services, Nashville)**
- **Phillip Fitzgerald (Administration-Legal, Nashville)**
- **Annette Franklin (Audit, Nashville)**
- **Annette Frommel (Collection Services, Jackson)**
- **Mona Gerges (Taxpayer Services, Nashville)**
- **Sharon Jackson (Audit, Nashville)**
- **Alexandra Jackson (Vehicle Services, Nashville)**
- **Lesley Lewis (Audit, Houston)**
- **Krystle Nesmith (Vehicle Services, Nashville)**

- **Kathleen Orr (Taxpayer Services, Nashville)**
- **Shawn Ploss (Vehicle Services, Nashville)**
- **Danielle Price (Administration-Fiscal, Nashville)**
- **Michael Radowitz (Audit, New York)**
- **Josh Remke (Administration-Special Investigations, Nashville)**
- **Beshoy Shenouda (Audit, Nashville)**
- **John Shire (Audit, Nashville)**
- **Lee Shockney (Administration-Special Investigations, Nashville)**
- **Demi Smith (Taxpayer Services, Nashville)**
- **Terry Wright (Taxpayer Services, Nashville)**
- **Stacy Yancey (Taxpayer Services, Memphis)**

## ***Revenue Participants in Statewide Leadership Programs***

In conjunction with the Department of Human Resources, the Department of Revenue offers its employees several opportunities to help cultivate and enhance their leadership skills. These programs also offer candidates the opportunity to network with peers across the department, as well as around state government. Below is a quick overview of some of the available programs, as well as the participants in those programs for fiscal year 2021-2022.

### ***LEAD Tennessee***



LEAD Tennessee is a statewide, 12-month development initiative for current managers and supervisors from all branches of government. The program consists of six one-day “summits” of intense, high-impact learning focused on eight leadership core competencies: self-management, mission driven, customer-focused, courage, talent-focused, integrity, innovation, and high-performing. Revenue’s LEAD Tennessee participants for the 2021-2022 fiscal year were:



**Bill Arth (Collection Services, Nashville)**



**Pamela LeBlanc (Taxpayer Services, Nashville)**



**Kenya Watson (Administration-HR, Nashville)**



**Tennessee Government Management Institute (TGMI)**



TGMI is a two-week residential management institute that provides mid-level managers in Tennessee state government with the opportunity for academic study, learning in practical management skills, and cross agency networking to enhance the individual skills of middle managers. Revenue's TGMI participants for the 2021-2022 fiscal year were:

**Adam Duvall (TR3, Nashville)**



**Keith Jeffers (Administration-Special Investigations, Johnson City)**



## **XI. Contact the Department**

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### ***Nashville***

500 Deaderick Street  
Nashville, TN 37219  
615-253-0600

### ***Shelbyville***

200 Dover Street  
Suite 106  
Shelbyville, TN 37160  
931-685-5010

### ***Memphis***

3510 Appling Rd  
Bartlett, TN 38133  
901-231-1400

### ***Jackson***

225 Dr. Martin Luther  
King Jr. Dr Suite 340  
Jackson, TN 38301  
731-423-5747

### ***Johnson City***

204 High Point Dr  
Johnson City, TN 37601  
423-854-5321

### ***Chattanooga***

1301 Riverfront Pkwy  
Chattanooga, TN 37402  
423-634-6266

### ***Cookeville***

1100 England Dr  
Suite 4A  
Cookeville, TN 38501  
931-526-9699

### ***Knoxville***

7175 Strawberry Plains  
Pkwy Suite 300  
Knoxville, TN 37914  
2865-594-6100

## ***Chicago***

800 Roosevelt Rd  
Building B #206  
Glen Ellyn, IL 60137  
630-790-0631

## ***New York City***

1500 Broadway  
Suite 1100  
New York City, NY 10036  
646-366-5880

## ***Atlanta***

5665 New Northside Drive  
#160  
Atlanta, GA 30328  
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