

Enactment of Business Tax: City of Tazewell

Business Tax in the City of Tazewell, Tennessee

The City of Tazewell voted to enact a municipal-level business tax. The effective date of the tax is January 1, 2023.

Therefore, for tax periods beginning on or after January 1, 2023, businesses may be subject to Tazewell municipal-level business tax if they have a physical location, place of business, or other location within the city limits of Tazewell.

Business Tax Overview

Tennessee business tax consists of both a state-level and a municipal-level tax. Each municipality, through resolution or ordinance, may elect to levy the municipal-level business tax on business activities conducted within its borders. Tenn. Code Ann. §§ 67-4-708(1)-(4) details the taxable privileges subject to municipal-level business tax.

A business must have a physical location, place of business, or other location in a municipality to be subject to the municipal-level business tax. A business located in a municipality that has enacted business tax is required to pay *both* the state-level and municipal-level tax.

Registration and Licensing

Businesses located in a municipality that has enacted the municipal-level business tax may register directly with the [Department of Revenue](#) or through the appropriate city official. These businesses must also

obtain a business license from the appropriate city official. Businesses with less than \$10,000 in gross sales are exempt from both the state-level and municipal-level business tax and are not required to register with the Department but may still be required to obtain a business license if they have gross sales between \$3,000 and \$10,000. Businesses with less than \$3,000 in gross sales are not required to obtain a business license or pay business tax.

Municipal-Level Filings

Taxpayers with a location within the limits of a municipality that has enacted municipal-level business tax must file two returns for that location: a municipal-level business tax return and a state-level business tax return. The return must be filed no later than the fifteenth (15th) day of the fourth month following the end of the business' fiscal year. Taxpayers may file the returns electronically using the Department's [Tennessee Taxpayer Access Point \(TNTAP\)](#).

For More Information

Visit www.tn.gov/revenue. Click on Revenue Help to search for answers or to submit an information request to one of our agents. You may also review the Department's [Business Tax Manual](#).

References

Tenn. Code Ann. §§ 67-4-701, 67-4-708(1)-(4).