

*Tenn. Code Ann. § 67-5-513*

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\*\*\* Current through the 2014 Regular Session and amendments approved at the November 4, 2014 General Election \*\*\*

Title 67 Taxes And Licenses  
Chapter 5 Property Taxes  
Part 5 Classification and Assessment -- Miscellaneous Provisions

Tenn. Code Ann. § 67-5-513 (2014)

**67-5-513. Sale or termination of business.**

**(a)** If any taxpayer operating for the purpose of making a profit as a business or profession, partnership, joint venture, corporation, limited liability company, manufacturer or other legal entity having personal property, tangible or intangible, assessable by the county assessor or other authority, sells the business, relocates it outside the jurisdiction or terminates it, the taxpayer shall notify the assessor and trustee and make payment within fifteen (15) days after the date of selling, relocating or terminating the business, of any taxes, interest and penalties due and owing and the taxes of the current year in accordance with the assessment records, which shall be based on the last assessment and rate fixed, according to law. The assessor shall certify the assessment to the appropriate collecting officials and the collecting official shall then send a notice of taxes due based on the certification from the assessor and shall accept payment of the amount determined to be owing. Additional taxes due as the result of the certification assessment shall not be deemed delinquent until thirty (30) days after the date notice of the assessment is sent to the taxpayer. Upon the expiration of thirty (30) days the collecting official may pursue collection of such delinquent personal property taxes as provided in § 67-5-2003.

**(b) (1)** The successor, successors or assigns shall be required to withhold a sufficient amount of the purchase money to cover the amount on the assessment records for the current year determined as set forth in subsection (a), and any amount of such taxes, interest and penalties due and unpaid, until such former owner produces a certificate from the assessor stating that such former owner does or does not appear on the assessor's assessment records for the current year and a receipt from the trustee and municipal collector showing that all taxes, interest and penalties have been paid, or a certificate stating that no taxes, interest or penalties are due.

**(2)** If the purchaser of a business fails to withhold the purchase money as provided in subdivision (b)(1), the purchaser shall not be an innocent purchaser and shall be personally liable, together with the prior owner, for the payment of all personalty taxes, interest and penalties accruing and unpaid on account of the operation of the business by any former owner, owners or assigns, and for any assessment for the current year based on the last made assessment and the tax rate fixed according to law, and the trustee shall accept tender of the amount determined to be owing.

**HISTORY:** Acts 1981, ch. 463, § 1; T.C.A., § 67-1723; Acts 2013, ch. 353, § 32; 2014, ch. 883, § 3.