

A SUBSTITUTE RESOLUTION DIRECTING THE METROPOLITAN DEPARTMENT OF WATER AND SEWERAGE SERVICES TO MAKE PAYMENTS IN LIEU OF AD VALOREM TAXES.

WHEREAS, Tennessee Code Annotated, § 7-34-115(a)(9) provides that revenues derived from a public works may be paid to the municipality, if the municipality so requests, in lieu of ad valorem tax on the property of the public works within the corporate limits of the municipality not to exceed the amount of taxes payable on privately owned property of a similar nature; and

WHEREAS, the Metropolitan Council has determined that such in-lieu-of-tax payments should be made to help reimburse the Metropolitan Government for the services, improvements, facilities and other support provided by the Metropolitan Government to the Metropolitan Department of Water and Sewerage Services.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:


SECTION 1. That the Metropolitan Department of Water and Sewerage Services shall make an annual payment in lieu of ad valorem taxes on property of the Department within the Metropolitan Government to the general fund of the Metropolitan Government in the amount of four million dollars (\$4,000,000) annually, which amount is roughly 30 % of the amount of taxes that would be due and owing for privately owned property of a similar nature based on the assessment formula used by the Public Service Commission, and now, pursuant to T.C.A. § 67-5-1301, the Comptroller of the State of Tennessee. Attached to this Resolution and incorporated herein is a schedule showing how this payment-in-lieu of tax has been calculated. The FY 1995-96 payment shall be made on the 30th day of June, 1996. The FY 1996-97 and each fiscal year thereafter shall be made in equal monthly installments payable on the fifth business day of each month.

SECTION 2. This resolution shall take effect from and after its adoption, the welfare of the Metropolitan Government of Nashville and Davidson County requiring it.

APPROVED:


Joe Huddleston, Director
Department of Finance

INTRODUCED BY:



APPROVED AS TO FORM AND LEGALITY:


Metropolitan Attorney

Members of Council

METRO WATER SERVICES
IN LIEU OF TAX COMPUTATION
BOOK VALUE METHOD
FY ENDED 6/30/96

General Services Tax Rate	\$3.50/100
Appraisal Ratio	0.9005
Equalized Tax	<u>3.15175</u>
Fixed Assets	\$1,242,143,166
Less: Accumulated Depreciation	<u>231,840,267</u>
Net Book Value 6/30/95	1,010,302,899
Materials and Supplies	3,504,000
Total Real & Personal Assets	<u>\$1,013,806,899</u>
Utilities Tax Ratio	0.55
Taxable Assessed Value	<u>\$557,593,794</u>
Property Taxes	<u>\$17,573,962</u>

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METROPOLITAN COUNTY COUNCIL

SUBSTITUTE RESOLUTION NO. R96-177

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BUDGET & FINANCE and
PUBLIC WORKS COMMITTEES

Referred to FEB 27 1996

Introduced FEB 27 1996

DEFERRED FEB 27 1996

Adopted FEB 29 1996

Approved MAR 5 1996

By [Signature]
Metropolitan Mayor

Departments Notified _____