

TITLE 5

MUNICIPAL FINANCE AND TAXATION¹

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CHAPTER 1

MISCELLANEOUS

SECTION

- 5-101. Official depositories for city funds.
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- 5-103. Security for deposits.
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5-101. Official depositories for city funds. The Bank of America; the AmSouth Bank, Columbia Office; the First Farmers and Merchants Bank of Columbia; the First American Bank; the Community First Bank; the

¹Charter references

For other provisions relating to finance and taxation see the charter.
See in particular the following:

- Advertisement for public works: art. XIX.
- Anticipation of current revenues: art. XIII.
- Budget and appropriations: art. XV.
- License taxes: art. XII.
- Miscellaneous ordinance powers: art. VIII.
- Sinking fund: art. XIV.
- Taxation and revenue generally: art. XI.

Community South Bank, Columbia Office and the Heritage Bank and Trust, Columbia, Tennessee are hereby designated as official depositories for funds of the City of Columbia.

Each such depository, before being given custody of any city funds, shall furnish adequate security as required by art. XI, § 12, in the city charter.

US Bank of Columbia, Tennessee and Regions Bank of Columbia, Tennessee are hereby designated as depositories for general city funds subject to a maximum deposit equal to the amount insured by the Federal Savings & Loan Insurance Corporation. (1968 Code, § 6-501, as amended by Ord. #1872, May 1992, Ord. #2048, Jan. 1995, Ord. #3052, April 1996, Ord. #3258, Nov. 1998, Ord. #3261, Nov. 1998, Ord. #3286, May 1999, Ord. #3299, June 1999, Ord. #3301, July 1999, Ord. #3302, July 1999, Ord. #3350, May 2000, Ord. #3419, Aug. 2001, Ord. #3474, Aug. 2002, Ord. #3603, June 2005, Ord. #3613, Sept. 2005, and Ord. #3646, July 2006)

5-102. Authorizing the city to participate in the Tennessee Local Government Investment Pool. The city recorder or the person authorized to act for the city recorder is hereby authorized to make investments from the funds of the City of Columbia, Tennessee, subject to the control and jurisdiction of the City Recorder of the City of Columbia, Tennessee, or the city recorder's authorized representative, or the Tennessee Local Government Investment Pool. Said investments shall be made pursuant to Tennessee Code Annotated, § 9-17-101, et seq., and shall in all respects comply with the requirements of Tennessee Code Annotated, § 9-17-101, et seq. (1968 Code, § 6-501A)

5-103. Security for deposits. Each depository designated by ordinance shall pledge as security for deposits collateral, an amount five percent (5%) in excess of city deposits, in the form of bonds of the United States, State of Tennessee, Maury County or City of Columbia, or any bond of any governmental jurisdiction in the State of Tennessee which has a Moody's "A" rating or equivalent. The bond of any agency which is guaranteed by the United States for its face value or the bond of a bank or association of banks which is guaranteed for its face value by the United States, shall be considered a bond of the United States. As provided by Tennessee Code Annotated, § 13-20-612, any bonds issued by a housing authority, insured by the Federal Housing Administration, shall be considered as United States Government bonds. As provided in Tennessee Code Annotated, § 35-3-119, Tennessee Valley Authority bonds are to be considered the same as United States Government bonds. In the alternative, any depository designated by ordinance may satisfy the collateral requirement by being a member of the State of Tennessee Collateral Pool Program. (1968 Code, § 6-502, as replaced by Ord. #3649, July 2006)

5-104. Performance bonds for public works contracts. All performance bonds for public works under § 19.01 of the Columbia Municipal Charter shall be in an amount equal to 100% of the contract price of the

particular work or improvement and conditioned for the faithful performance of such contract. (1968 Code, § 6-503)

5-105. Uncollectible municipal court fines. The city recorder shall purge from her records any municipal court fines or costs which have not been collected from and after a period of two years from the date said fines and costs arise and the city recorder shall purge her books of all such records as of the start of each fiscal year. (1968 Code, § 6-504)

5-106. Collection of sewer connection charges. The City Council of the City of Columbia may, upon resolution duly approved, contract for the collection of sewer connection charges with the Columbia Power and Water System. (1968 Code, § 6-505)

5-107. Purchase order authorization.¹ (1) The department heads of the City of Columbia are authorized to approve purchase orders up to \$2500.00 without the necessity of obtaining approval of the city manager or prior authorization of the city council.

(2) The city manager is hereby authorized to approve purchase orders up to the amount of \$8,000.00 before it is necessary to obtain authorization of the city council. (Ord. #2021, Aug. 1994)

¹Municipal code reference
Purchasing manual: chapter 8, this title.

CHAPTER 2

PROPERTY TAXES GENERALLY

SECTION

- 5-201. Appointment, power, and term of tax assessor.
- 5-202. Assessor to make and record assessments and deliver his books to recorder.
- 5-203. Assessor to take oath; deputy tax assessors; compensation.
- 5-204. When assessments to be completed; omitted property.
- 5-205. Equalization board's appointment, term, organization, and minutes.
- 5-206. Vacancies on board; sessions.
- 5-207. Duties and powers of the board of equalization; hearings; appeals.
- 5-208. Oath and compensation of board members.
- 5-209. City assessor, board, and recorder to have same powers as state officers.
- 5-210. Assessment methods set out in state code adopted.

5-201. Appointment, power, and term of tax assessor. The city council shall appoint a competent and well qualified person whose duty it shall be, and who shall have the power upon appointment and qualification, to assess for taxation for municipal purposes, all property, real, personal, and mixed, located within the City of Columbia, Tennessee, and taxable by law. He shall hereafter be known as the city tax assessor and shall hold office during the pleasure of the board. (1968 Code, § 6-101)

5-202. Assessor to make and record assessments and deliver his books to recorder. The assessor shall fairly and equitably assess for taxation all property located within the limits of the city. He shall record the assessments together with the property descriptions in a suitable and properly bound book similar to those heretofore used by the City of Columbia. The record as made out by the assessor shall show the names and addresses of the persons owning taxable property in the city, a description of the real property by adjoining owners, streets, etc., and of the personal property by character, investment, etc. When the assessor shall have completed the assessment of property directed and shall have completed the record thereof in the book herein provided for, the assessment book or books shall be delivered to the city recorder. (1968 Code, § 6-102)

5-203. Assessor to take oath; deputy tax assessors; compensation. Before the tax assessor shall begin the assessment and valuation of property, he shall take an oath before the recorder to fairly, equitably, and impartially value

and assess for taxation all property located in and taxable by the city. In the event it shall be necessary to have more than one person make assessments, the city council may appoint such other persons as are qualified who shall hereafter be known as deputy tax assessors. They shall perform the same services as are required of the tax assessor and shall hold office during the pleasure of the city council. The compensation of the assessor and deputy assessors shall be fixed by the city council and shall be appropriated out of the general funds of the City of Columbia. (1968 Code, § 6-103)

5-204. When assessments to be completed; omitted property. The city tax assessor shall commence work when appointed and shall complete the assessment of all taxes before the 1st day of June each year. He shall turn over to the city recorder all his books, records, papers, etc., when completed. They shall be filed and corrected by the recorder and the same shall be the assessment and valuation for taxes for the city for each assessment year. The recorder of the city shall be empowered at any time to assess by supplemental assessment and tax any property found to be omitted by the city tax assessor. (1968 Code, § 6-104)

5-205. Equalization board's appointment, term, organization, and minutes. It shall be the duty of the recorder, as soon as such assessment roll in each year is ready for the extension of taxes, to produce the same or a true copy thereof, before the city council and to certify the total amount of valuation or assessment of the taxable property within the limits of the city. Thereupon the city manager shall appoint three competent and reputable taxpayers and property owners residing in the City of Columbia who shall be known as the equalization board of the City of Columbia and whose tenure of office shall be during the pleasure of the city manager. The members of the equalization board, together with the city recorder, who is hereby declared to be an ex officio member of same, shall within five days after their appointment, meet, organize and elect from their number a chairman, giving notice of such election to the city manager. It shall also be the duty of the equalization board to keep accurate minutes of all its proceedings and upon the conclusion of its work, to turn over to the city recorder all its minutes and notices, or copies thereof, properly certified to by each member of the board. (1968 Code, § 6-105)

5-206. Vacancies on board; sessions. In case of the death, removal, or resignation of any member so appointed to the equalization board during his term of office, the city manager shall appoint a successor for the unexpired term. The city board of equalization shall sit in session for a period of not longer than ten days, provided, however, that the city manager may extend the time, if, in his judgment, the public welfare shall require it. (1968 Code, § 6-106)

5-207. Duties and powers of the board of equalization; hearings; appeals. It shall be the duty of the equalization board to review the assessments and valuations of the property within the city limits of Columbia as made by the tax assessor. The board shall have the right or power to raise or reduce any assessment so made by the city tax assessor only upon specific complaint made to it by a property owner or by the city manager or by the city recorder and if in the opinion of a majority of the board a correction is necessary. In the event an assessment is raised, notice and a hearing to the property owner must be given two days before final action is taken upon the raised assessment and no increase over the assessment made by the tax assessor, made without notice, shall be valid. The board of equalization shall sit in session in the city hall of the City of Columbia and shall announce by publication in a newspaper published in the City of Columbia the date or dates upon which it shall act upon the assessments as made by the city tax assessor. At such meetings of the board of equalization any property owner or taxpayer may appear either in person or by attorney and present his objection to the assessment for taxation of his property, and the board of equalization shall have the power to charge or modify the same if the facts shown to the board justify such action. No formality shall be required in the presentation of objections by property owners. The action of the board of equalization in any given case shall be final, provided that either the city manager or any objecting property owner may appeal from the decision of the board of equalization to the city council, giving notice to the recorder of such appeal within two days after the adjournment of the equalization board. (1968 Code, § 6-107)

5-208. Oath and compensation of board members. Before entering upon their duties as hereinabove set out, the members of the equalization board shall take and subscribe to an oath to fairly and impartially perform their duties and to equalize and correct all assessments made by the city tax assessor or any deputy tax assessor. Each member of the board of equalization shall receive as compensation for service while sitting as a board the sum of twelve dollars (\$12.00) a day, or fraction of a day, in which they are in session except the chairman of the board who shall receive fifteen dollars (\$15.00) a day, or fraction of a day, in which the board is in session, and the chairman is sitting in that capacity. Such compensation shall be paid out of the general funds of the City of Columbia. (1968 Code, § 6-108)

5-209. City assessor, board, and recorder to have same powers as state officers. All powers and duties given, imposed, and required of county tax assessors, county court clerks, county trustees, or county boards of equalization by of the Pub. Acts 1907, ch. 602, and amendments thereto, are hereby conferred, imposed on, and required of the city tax assessor, deputy city

tax assessors, city recorder and city equalization board; provided, however, that the city tax assessor be and is hereby empowered and required to make an annual assessment of all real, personal, and mixed property located within the City of Columbia, Tennessee, and taxable by law as of January 10 of the year for which the assessment is made. (1968 Code, § 6-109)

5-210. Assessment methods set out in state code adopted. The methods for assessment of property generally as contained in Tennessee Code Annotated, title 67, are adopted for the assessment of all taxable property within the corporate limits of the City of Columbia subject to assessment under the charter and ordinances of the City of Columbia, and the laws of the State of Tennessee applying to municipal corporations. (1968 Code, § 6-110)

CHAPTER 3

PRIVILEGE TAXES GENERALLY¹

SECTION

5-301. Tax levied.

5-302. Compliance with General Revenue Law required.

5-303. Collections to be recorded and reported.

5-304. Enforcement of taxes.

5-301. Tax levied. The engaging in any vocation, occupation, or business designated in Acts of 1937, ch. 108, and all Amendments thereto, is hereby declared to be a privilege and the rate of tax on such privilege shall be such as is fixed by said Acts of 1937, ch. 108 and the amendments thereto, commonly known as the General Revenue Law, which said privilege tax shall be paid to the recorder of the City of Columbia in the manner provided for the collection of such revenue. The General Revenue Law is hereby adopted with all its restrictions, limitations and provisions as amended. (1968 Code, § 6-301)

5-302. Compliance with General Revenue Law required. It shall be unlawful for any person, firm, or corporation to exercise any of the privileges made taxable by the General Revenue Law before complying with the provisions of the same. Anyone exercising any of said privileges without first paying the tax or without complying with the provisions of the Revenue Law insofar as the same may be applicable to municipalities shall be guilty of a misdemeanor and upon conviction shall be subject to a fine under the general penalty clause for this code for each day such privilege is exercised without a license. The fine shall be in addition to any other penalties imposed by the Revenue Law. Any successor by purchase, or otherwise, of any business subject to tax shall be liable for and shall pay the tax imposed against such business before said successor can obtain a license to do any of the acts declared taxable. Any person acting as agent, trustee, guardian, administrator, executor, assignee or receiver, doing any of the acts declared to be a privilege, is also subject to the tax imposed on said privilege. (1968 Code, § 6-302)

5-303. Collections to be recorded and reported. The recorder or deputy charged with the collection of privilege taxes or privilege licenses, including fees, fines, forfeitures, costs, interest or penalties, shall keep a complete record of such collections on books and forms prescribed by the city

¹Municipal code reference

Other taxes on alcoholic beverage dealers: title 8.

manager and shall annually report such revenue to the city council. (1968 Code, § 6-303)

5-304. Enforcement of taxes. For the proper enforcement of this chapter the recorder or deputy recorder shall be empowered to issue a distress warrant for the collection of such tax, including interest and penalty in the same manner and with the same authority as is provided under law governing the issuance of said distress warrants by county court clerks. The chief of police or any patrolman on the police force may execute the same in the same manner as provided for the execution of distress warrants in the hands of the sheriff or his deputies and as provided by the General Revenue Law. (1968 Code, § 6-304)

CHAPTER 4

WHOLESALE BEER TAX¹**SECTION**

5-401. Levied.

5-402. Collection.

5-403. Repeal of conflicting ordinances.

5-401. Levied. There is hereby imposed on the sale of beer at wholesale to retailers and other persons in the City of Columbia, Tennessee, a tax of one and one-half (1½) cents on every bottle, can, or container of twelve (12) ounces or less, and a tax of three (3) cents on every bottle, can or container of thirty-two (32) ounces and draft beer proportionately. (1968 Code, § 6-401)

5-402. Collection. Every person, firm, or corporation, who sells beer to retailers in Columbia, Tennessee, shall collect said tax and distribute same according to the provisions of Pub. Acts 1953, ch. 76. (1968 Code, § 6-402)

5-403. Repeal of conflicting ordinances. Ordinance No. 253 and any and all other ordinances in conflict with this chapter are hereby expressly repealed. However, in the event this chapter is declared unconstitutional, it is hereby declared to be the intent of the board of commissioners not to have repealed Ordinance No. 253. (1968 Code, § 6-404)

¹State law reference

Tennessee Code Annotated, title 57, chapter 6 provides for a tax of 17% on the sale of beer at wholesale. Every wholesaler is required to remit to each municipality the amount of the net tax on beer wholesale sales to retailers and other persons within the corporate limits of the municipality.

CHAPTER 5**BUSINESS TAX ACT****SECTION**

5-501. Implemented.

5-501. Implemented. The taxes provided in Pub. Acts 1971, ch. 387 and Pub. Acts 1972, ch. 850, and any amendments thereto known as the "Business Tax Act" are hereby enacted, ordained and levied on the public, public activities, vocations or occupations doing business or exercising a taxable privilege as provided by said act in the City of Columbia, Tennessee at the rates and in the manner prescribed in Pub. Acts 1971, ch. 387 as amended by Pub. Acts 1972, ch. 850, and any amendments thereto. The proceeds of the privilege taxes herein levied shall accrue to the general fund; provided, however, that section 6 (D) of said chapter 387 of the public acts of 1971 which provides that persons engaged in the business of constructing public roads shall pay a minimum tax of \$400.00 per annum and all other persons enumerated in classification 4 of section 5 shall pay a minimum tax of \$100.00 per annum shall not apply to the City of Columbia, but in lieu thereof persons engaged in the business of constructing public roads shall pay a minimum tax of \$15.00 per annum plus \$2.50 administrative cost and all other persons described or enumerated in classification 4 of section 5 shall pay a minimum tax of \$15.00 per annum plus \$2.50 administrative cost. (1968 Code, § 6-601)

CHAPTER 6**MERCHANTS' AD VALOREM TAXES****SECTION****5-601. Assessment.**

5-601. Assessment. An ad valorem tax shall be collected upon the stocks and equipment or the gross investment of merchants and the taxes shall be computed upon the average value of such stocks and equipment owned by such merchants during the whole preceding year for which such tax is assessed, and not on just such gross investment owned by such merchant as of the tenth day of January of the taxable year. The term "merchant" as used in this section includes all persons, co-partnerships, or corporations engaged in trading or dealing in any kind of goods, wares, merchandise, articles, confections, and commodities, whether such goods, etc., be kept on hand for sale or the same be purchased and delivered for profit as ordered. The ad valorem tax shall be assessed by the city tax assessor in the same manner as is provided herein for the assessment of property generally. (1968 Code, § 6-201)

CHAPTER 7

**PRIVILEGE TAX FOR SELLING ALCOHOLIC BEVERAGES FOR
CONSUMPTION ON THE PREMISES**

SECTION

5-701. Levy of tax.

5-702. When due and payable.

5-703. City recorder to assess and collect.

5-704. Tax not imposed on charitable, nonprofit or political organizations.

5-701. Levy of tax. There is hereby levied and imposed on every person or entity within the corporate limits of the City of Columbia, Tennessee who holds a valid license for the retail sale of alcoholic beverages for consumption on the premises a privilege tax for the exercise of such privilege to be paid annually as hereafter set out, to-wit:

(1)	Private Club	\$ 300.00
(2)	Hotel and Motel	1,000.00
(3)	Convention Center	500.00
(4)	Premier Type Tourist Resort	1,500.00
(5)	Restaurant, according to seating capacity, on licensed premises:	
	(a) 75-125 seats	600.00
	(b) 126-175 seats	750.00
	(c) 176-225 seats	800.00
	(d) 226-275 seats	900.00
	(e) 276 seats and over	1,000.00

If a restaurant is licensed by the commission to sell wine only under Tennessee Code Annotated, § 57-4-101(c)(1), the privilege tax imposed shall be one-fifth (1/5) the amount specified in this section.

(6)	Historic Performing Arts Center	300.00
(7)	Urban Park Center	500.00
(8)	Commercial Passenger Boat Company	750.00
(9)	Historic Mansion House Site	300.00
(10)	Historic Interpretive Center	300.00
(11)	Community Theater	300.00
(12)	Zoological Institution	300.00
(13)	Museum	300.00
(14)	Establishment in a terminal building of a commercial air carrier airport	1,000.00
(15)	Commercial airline travel club	500.00
(16)	Public aquarium	300.00

(17) Motor speedway	1,000.00
(18) Theater	300.00
(1968 Code, § 6-801, modified)	

5-702. When due and payable. Said tax shall be payable to the city recorder within the thirty (30) days of the date of the initial license for the sale of alcoholic beverages for consumption on the premises and on the anniversary date of such license thereafter. (1968 Code, § 6-802)

5-703. City recorder to assess and collect. The city recorder is hereby vested with all the power and authority to assess and collect this tax as said recorder has as to the assessment and collection of all other license taxes. (1968 Code, § 6-803)

5-704. Tax not imposed on charitable, nonprofit or political organizations. No tax authorized or imposed by this chapter shall be levied or assessed from any charitable, nonprofit or political organization selling alcoholic beverages at retail pursuant to a special occasion license issued by the State of Tennessee. (1968 Code, § 6-804)

CHAPTER 8

PURCHASING MANUAL¹

SECTION

- 5-801. Purchasing rules and regulations.
- 5-802. Purchasing agent; designation of.
- 5-803. Purchasing agent; powers and duties.
- 5-804. Formal contract and open market procedure.
- 5-805. Emergency purchases.

5-801. Purchasing rules and regulations. The city manager is hereby authorized and directed to establish, promulgate and enforce rules and regulations, which will govern the conduct of the city's purchasing. Such rules and regulations shall be published and designated as the "Purchasing Manual for the City of Columbia," and shall be the provisions controlling purchases for the city. Said manual shall be subject to initial approval, by resolution approved by the city council. Thereafter, the city manager may, from time to time, suggest changes and amendments to the purchasing manual, which changes or amendments shall be first approved by resolution of the city council. (Ord. #3388, Feb. 2001)

5-802. Purchasing agent; designation of. The purchasing agent shall be designated by the city manager. (Ord. #3388, Feb. 2001)

5-803. Purchasing agent; powers and duties. The purchasing agent shall perform all duties with respect to the purchase of supplies as required by this chapter or other ordinances and shall have the power and duties as set forth in the city's purchasing manual. (Ord. #3388, Feb. 2001)

5-804. Formal contract and open market procedure. (1) Formal contract procedure. All contractual services pertaining to public improvements or the maintenance of public property of the city when the estimated costs thereof shall exceed ten thousand dollars (\$10,000) shall be purchased by formal written contract from the lowest responsible bidder, after due notice inviting proposals. Public improvements shall be scheduled and developed under the direction of the city engineer.

(2) All other expenditures for supplies, materials, equipment or contractual services, when the estimated cost thereof shall exceed ten thousand

¹Municipal code reference

Purchase order authorization: § 5-107.

dollars (\$10,000) shall be purchased by formal written contract or purchase order from the lowest responsible bidder after due notice inviting proposals, subject to the exceptions set forth in Tennessee Code Annotated, title 6, chapter 56, part 3. Said transactions shall be expressly approved by the city council.

(3) Where formal sealed bids are required by this section, an announcement that bids are to be received shall be publicly advertised in a newspaper of general circulation within the City of Columbia.

(4) Waiver of competitive bidding. (a) The city council may waive the requirement for competitive contractual bidding for the purchase of supplies, materials, equipment or contractual services when some material feature or characteristic of the item or service is unique in nature. A bid under \$10,000 may be awarded without competition when the purchasing agent determines in writing that there is only one source for the required supply, service or construction. Sole source purchases above \$10,000 shall be submitted for consideration by the city council.

(b) Professional services shall be subject to competitive selection unless the city council waives the requirement under state law.

(5) Open market purchases above two thousand five hundred dollars (\$2,500) and less than ten thousand dollars (\$10,000) in any fiscal year may be made in the open market without public advertisement but shall, whenever possible, be based upon at least three (3) written quotations from suppliers or contractors which will be valid for 90 days. The award shall be awarded to the lowest responsible supplier or contractor provided, however, that the exceptions to competitive bidding requirements set forth in Tennessee Code Annotated, title 6, chapter 56, part 3 shall be applicable to such transactions. The purchasing agent shall expressly approve such expenditures. For recurring, normal and routine purchases of materials, supplies or services, competitive bids shall not be required for each purchase but shall, whenever possible, be obtained on at least an annual basis.

(6) Open market purchases above five hundred dollars (\$500) and less than two thousand five hundred dollars (\$2,500) shall, whenever possible, be based upon three (3) written, verbal or faxed quotations which will be valid for 90 days. The purchasing agent shall expressly approve such expenditures. For recurring, normal and routine purchases of materials, supplies or services, competitive bids shall not be required for each purchase but shall, whenever possible, be obtained on at least an annual basis.

(7) Open market purchases below five hundred dollars (\$500) shall be based upon open market direct solicitation. No order of goods or services over \$500 shall be obtained without first securing a purchase order except those items specifically designated as not requiring a purchase order within the purchasing manual. (Ord. #3388, Feb. 2001)

5-805. Emergency purchases. The city manager is authorized to make emergency procurements of twenty five thousand dollars (\$25,000) or less without regard to the provisions of competitive bid procedures whenever there exists a threat to public health, welfare and safety or a significant disruption to the operations of a department. Emergency procurement in excess of ten thousand dollars (\$10,000) shall be submitted to the city council for ratification. (Ord. #3388, Feb. 2001)