Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: BL2024-584, **Version:** 1

An ordinance establishing a program for the purpose of providing assistance to low-income elderly residents of the Metropolitan Government for Fiscal Year 2025.

WHEREAS, T.C.A. § 5-9-112 permits a county legislative body to appropriate funds for the purpose of providing assistance to low-income elderly residents of the county; and,

WHEREAS, said statute also authorizes the county legislative body to develop guidelines for eligibility and participation in applying for such assistance program; and,

WHEREAS, the Metropolitan County Council appropriated $6,847,000.00 in the Fiscal Year 2025 operating budget to the Property Tax Relief Program account for the purpose of providing assistance to the Metropolitan Government low-income elderly residents program; and,

WHEREAS, the Metropolitan County Council now desires to establish said program and develop guidelines for participation in said program.

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

Section 1. There is hereby created a program to provide assistance to the low-income elderly residents of the Metropolitan Government.

Section 2. All persons who qualified for the Property Tax Relief Program under the provisions of T.C.A. § 67-5-702 for the tax year 2024 and whose income does not exceed $36,370 shall be eligible for participation in this program.

Section 3. The Trustee of the Metropolitan Government is directed to pay or cause to be paid from the Property Tax Relief Program account to all eligible taxpayers under the provisions of Section 2 an amount to be determined under the rules and procedures authorized under Section 4 hereof, or in lieu of a direct payment to the eligible person, the Trustee shall make such payment as directed by the eligible person.

Section 4. The Trustee is authorized to establish such rules and procedures as the Trustee may deem necessary for the purpose of implementing such program.

Section 5. The provisions of this Ordinance shall expire and be null and void on June 30, 2025.

Section 6. This Ordinance shall take effect from and after its passage, the welfare of the Metropolitan Government of Nashville and Davidson County requiring it.

Analysis

This ordinance establishes the property tax relief program for low-income elderly residents of the Metropolitan Government for Fiscal Year 2024-2025. This is essentially an extension of an existing tax relief program that has been in existence for many years and is renewed annually.

Tennessee Code Annotated § 5-9-112 authorizes county legislative bodies to appropriate funds for the purpose of providing assistance to low-income elderly residents in the county on an annual basis, based on the particular needs of eligible recipients. The county legislative body is also authorized to develop guidelines for eligibility. Additionally, Tennessee Code Annotated § 67-5-702 provides that the general funds of the state shall be paid to certain low-income taxpayers 65 years of age or older in order to pay or reimburse such taxpayers for all or part of their local property taxes. For many years, Metro has provided a double match of the state funds for the program. $6,847,000 has been included in the proposed FY25 operating budget in the Property Tax Relief Program Account.

This ordinance directs the Metropolitan Trustee to disburse funds to eligible taxpayers and further authorizes the Trustee to establish rules and procedures for implementation of the program. All persons who qualify for the state property tax relief program and whose income does not exceed a state-mandated cap of $36,370 annually will qualify for this program. Because this budgetary appropriation is non-recurring, this program would expire June 30, 2025.

Note that this program, which provides funds to low-income elderly residents, is separate from the Property Tax Freeze Program. The income eligibility for the Property Tax Freeze Program was increased last term pursuant to state law and by adoption of RS2023-2159 but does not impact the Property Tax Relief Program that is the subject of this ordinance.

Fiscal Note: The FY25 operating budget includes $6,847,000, an increase of $660,000 from the appropriation for this program in FY24, for the property tax relief program for the elderly.

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