

Hot Topics for Tennessee cities and towns

May 13, 1998

#36

1998-99 State Revenue Estimates

**By Jim Leuty and Dick Phebus
MTAS Finance Consultants**

State-Shared Taxes And Appropriations

The Tennessee General Assembly adopted the state budget for fiscal year 1998-99. Based on the results of its action, cities can expect to receive the following revenues:

General Fund	Per Capita Amount
State Sales Tax	\$59.42
State Beer Tax	.51
Special Petroleum Products Tax (gasoline inspection fee)	2.45
Gross Receipts (TVA in-lieu taxes)	5.88
Total General Revenue Per Capita	\$68.26
State Street Aid Funds	Per Capita Amount
Gasoline & Motor Fuel Taxes	\$27.34
Total Per Capita (General & State Street Aid Funds)	\$95.60

Also, there is:

- the income tax (statewide projected increase of 3.5 percent, but individual city amounts will fluctuate).
- the corporate excise tax (statewide revenues should be about the same as the 1997-98 fiscal year, but individual city amounts will fluctuate).
- the mixed drink tax (statewide projected increase of 2.2 percent).
- the public safety salary supplements. The state will provide salary supplements not to exceed \$600 for police officers and \$450 for fire personnel. These supplements are not automatic; public safety personnel must meet certain requirements to qualify for these payments.

Municipal Technical Advisory Service
Conference Center Building
Suite 120
Knoxville, TN 37996-0423



The Municipal Technical Advisory Service (MTAS) is a statewide agency of The University of Tennessee's Institute for Public Service. MTAS operates in cooperation with the Tennessee Municipal League in providing technical assistance services to officials of Tennessee's incorporated municipalities. Assistance is offered in areas such as accounting, administration, finance, public works, communications, ordinance codification, and wastewater management

MTAS *Hot Topics* are information briefs that provide a timely review of current issues of interest to Tennessee municipal officials. *Hot Topics* are free to Tennessee local, state, and federal government officials and are available to others for \$2 each. Photocopying of this publication in small quantities for educational purposes is encouraged. For permission to copy and distribute large quantities, please contact the MTAS Knoxville office at (423) 974-0411.

Printed on Recycled Paper.

The University of Tennessee does not discriminate on the basis of race, sex, color, religion, national origin, age, handicap, or veteran status in provision of education opportunities or employment opportunities and benefits.

The University does not discriminate on the basis of sex or handicap in its education programs and activities, pursuant to requirements of Title IX of the Education Amendments of 1972, Public Law 92-318, and Section 504 of the Rehabilitation Act of 1973, Public Law 93-112, and the Americans with Disabilities Act of 1990, Public Law 101-336, respectively. This policy extends to both employment by and admission to the University.

Inquiries concerning Title IX, Section 504, and the Americans with Disabilities Act of 1990 should be directed to Gary W. Baskette, director of business services, 109 Student Services and Administration Building, Knoxville Tennessee 37996-0212, (423) 974-6622. Charges of violation of the above policy should also be directed to Mr. Baskette.

TM

Authorization No. E14-1050-00-002-98