



# MEDIA RELEASE

STATE OF TENNESSEE  
DEPARTMENT OF REVENUE

FOR IMMEDIATE RELEASE  
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## TAX RELIEF AVAILABLE TO INDIVIDUALS AFFECTED BY FLOODING

### *Individuals May Qualify for Refund of Sales Tax Paid to Replace Damaged or Destroyed Items*

**NASHVILLE** — The Tennessee Department of Revenue is reminding Tennesseans affected by flooding and other effects of the severe storms in early May of recent legislation enacted by the General Assembly providing Tennessee sales tax relief for qualified individuals who must replace damaged or destroyed items or restore residences. Eligible items include major appliances and residential furniture used in the individual's primary residence with a purchase price of \$3,200 or less per item, and building supplies used for restoration of the individual's primary residence with a purchase price of \$500 or less per item.

Individuals receiving disaster assistance from the Federal Emergency Management Agency (FEMA) as a result of the flooding and severe storms that occurred in Tennessee between May 1, 2010 and May 8, 2010, may request a refund of Tennessee sales tax paid on eligible items purchased between **May 1, 2010** and **Sept. 30, 2010**.

"The Department of Revenue is supportive of this new legislation," said Revenue Commissioner Reagan Farr. "We are pleased that we can play a small role in responding to the needs of Tennesseans and the damages that occurred due to this tragedy."

Qualified individuals must submit receipts showing sales taxes paid on eligible items and may file only **one claim** for refund. The maximum amount of refund available to any one residence is \$2,500. The last day to file a claim with the Department of Revenue is **Nov. 30, 2010**.

Items eligible for refund must be purchased directly by the individual receiving FEMA assistance except when an individual hires a contractor to install an eligible item. The contractor must charge the individual for the items and for the Tennessee sales tax paid on the items.

Any individual submitting a claim for refund will be asked to provide documentation verifying the assistance they received from FEMA. The Natural Disaster Claim for Refund form and detailed information on claiming a refund is available at [www.Tn.gov/revenue](http://www.Tn.gov/revenue).

The Department of Revenue may assess a civil penalty up to \$25,000 against any person that knowingly files a false or fraudulent claim for refund.

The Department of Revenue is responsible for the administration of state tax laws and motor vehicle title and registration laws established by the legislature and the collection of taxes and fees associated with those laws. The Department of Revenue collects approximately 92 percent of total state tax revenue. During the 2009-2010 fiscal year, the department collected \$10.2 billion in state

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taxes and fees. In addition to collecting state taxes, \$1.9 billion of local sales tax was collected by the department for local governments during the 2009-2010 fiscal year. Besides collecting taxes, the department enforces the revenue laws fairly and impartially in an effort to encourage voluntary taxpayer compliance. The department also apportions revenue collections for distribution to the various state funds and local units of government. To learn more about the department, log on to [www.TN.gov/revenue](http://www.TN.gov/revenue).

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