

Line-By-Line Instructions

1. List the room rental revenue whether or not received for the occupancy in the hotel.
2. The law provides for only one class of exemption. A tenant who has occupied room space for thirty or more continuous days is not required to pay the tax after the thirtieth day. Residents who have already been in residency thirty or more days are exempt. The law DOES NOT exempt schools, corporations, fraternal organizations, religious groups, hospitals, local, state or federal government agencies, athletic teams of public schools, universities and colleges, members of the military ministers or representatives of foreign governments.
3. Subtract Line 2 from Line 1.
4. Take the amount on line 3 and multiply by .03
5. This is the total tax due.
6. If your return is late, multiply line 6 by .12 and the number of 30-day periods late. This is the total interest & penalty.
7. Total tax and penalty due.
8. Amount paid with this return.

---

---

Legal Basis of the Tax

Ordinance 349-25-1C was passed on September 16, 2025, by the Townsend Board of Commissioners levying a 3% Occupancy Tax.

Operator to Keep Records

The operator is required to keep and preserve for a period of three (3) years all records as may be necessary to determine the amount of such tax and such records shall be available for inspection by the City.

Use of Revenue

All tax revenue will be utilized exclusively for tourism and tourism development within the City of Townsend, as stipulated by T.C.A. § 67-4-1403.