



# State of Tennessee

## PUBLIC CHAPTER NO. 764

HOUSE BILL NO. 1701

By Representatives Jernigan, Whitson, Thompson, Hardaway, Mark White, Coley

Substituted for: Senate Bill No. 1763

By Senator Yarbro

AN ACT to amend Tennessee Code Annotated, Title 7 and Title 67, relative to adult entertainment.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 4, is amended by adding the following as a new part:

**67-4-1201.** As used in this part:

(1) "Adult performance business" means a business that:

(A) Is an adult cabaret or other adult-oriented establishment, as defined in § 7-51-1102 or § 7-51-1401;

(B) Provides live nude entertainment or live nude performances for an audience of two (2) or more individuals; and

(C) Permits the consumption of beer, wine, liquor, or other alcoholic beverages on the premises;

(2) "Department" means the department of revenue; and

(3) "Nude" means:

(A) Entirely unclothed; or

(B) Clothed in a manner that exposes to public view, at any time, the bare female breast below a point immediately above the top of the areola, human genitals, pubic region, or buttocks, even if partially covered by opaque material or completely covered by translucent material, including swim suits, lingerie, or latex covering.

**67-4-1202.**

(a) A two-dollar privilege tax, for state purposes only, is imposed for each entry by each customer admitted to an adult performance business. This tax is in addition to all other taxes imposed on the business.

(b) Each adult performance business shall record daily in the manner required by the department the number of customers admitted to the business. The business shall maintain the records for the period required by the department and make the records available for inspection and audit on request by the department.

(c) This section does not require an adult performance business to impose a tax on a customer of the business. A business has discretion to determine the manner in which the business derives the money required to pay the tax imposed under this section.

(d) All revenue collected from the tax imposed by this section shall be allocated to the general fund. It is the intent of the general assembly that an amount equal to the

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revenue collected from the tax be allocated to programs for victims of sex trafficking, subject to inclusion in the general appropriations act.

(e) This section is repealed on July 1, 2021, and no privilege tax shall be levied under this section on or after that date. This subsection (e) does not absolve any taxpayer of liability for any tax levied under this section prior to July 1, 2021.

SECTION 2. This act shall take effect July 1, 2018, the public welfare requiring it.

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PASSED: April 4, 2018

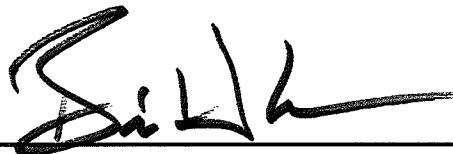


BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES



RANDY MCNALLY  
SPEAKER OF THE SENATE

APPROVED this 19<sup>th</sup> day of April 2018



BILL HASLAM, GOVERNOR