

**RESOLUTION**  
**on**  
**IN-LIEU-TAX PAYMENTS**

**WHEREAS**, The Industrial Board of Coffee County, TN, Inc. under the laws of Tennessee is authorized and empowered to issue Industrial Revenue Bonds, and

**WHEREAS**, under the Lease Agreement commonly used for such bond issue, the property financed is deeded to the Industrial Board, thus relieving said property of normal property tax liability, and

**WHEREAS**, the Industrial Board in such instance has authority to levy In-Lieu-of-Tax payments on the lessee of such property, and

**WHEREAS**, the Industrial Board must have a policy which will allow Coffee County to be competitive with other Counties in Tennessee and with adjacent states such as Alabama, Mississippi, and South Carolina which have state regulations exempting new or expanding industries from certain property taxes regardless of method of financing.

**BE IT THEREFORE RESOLVED** that the In-Lieu-of-Tax Policy for an Industrial Revenue Bond Issue for new or expanding manufacturing industries shall be as follows:

-- Years 1 thru 05 --	40% of property taxes normally assessed
-- Years 06 thru 10 --	50% of property taxes normally assessed
-- Years 11 thru 15 --	60% of property taxes normally assessed
-- Years 16 thru 20 --	70% of property taxes normally assessed
-- Years 21+	100% of property taxes normally assessed

This policy, i.e. In-Lieu-of-Tax payments, shall be granted to any particular industry for only so long as the new or expanding industry continues with operations and/or projects for which the In-Lieu-of-Tax Policy was deemed appropriate when initially granted.

This policy shall not apply to commercial businesses. Such businesses shall be assessed 100% of normal property taxes.

This Resolution in principle includes methods of financing other than Industrial Revenue Bond financing. (Originally approved February 19, 1993)

It will be the responsibility of the company receiving the tax abatement to file all relative documents regarding the issue with the Industrial Board of Coffee County and the Coffee County Property Assessors Office.

Approved at a regular meeting of the Industrial Board on February 13, 2008. This Resolution supersedes and replaces in their entirety all previous Resolutions on In-Lieu-of-Tax Payments.