Sample Press Release

**City officials join call for return of sales tax funds**

[Your city or town], Tenn. --- [Your city council or board] is joining with others cities across the state in a movement to urge state lawmakers to pass legislation that would return sales tax dollars to all cities and towns, easing the pressures on the local property tax and providing meaningful tax relief for most Tennesseans.

If adopted by Gov. Bill Lee and the Tennessee General Assembly, this legislation returns millions in locally- generated sales tax revenues, which will have a dramatic financial impact on the cities in ( ) County by assisting with the ever-increasing cost of providing essential services to our citizens and maintaining vital infrastructure that affords residents a high quality of life.

In 2002 to address a serious budget crisis, the state of Tennessee altered its 55-year revenue-sharing relationship with local municipalities by increasing the sales tax rate to 7% from 6%, but keeping all the new revenue collected for the state’s general fund.

In the 20 years since this “temporary” provision took effect, the state of Tennessee’s dynamic economic and fiscal policies has erased the conditions that led to this austerity measure.

“This policy change,” said [Mayor of your city or town], “was enacted as an austerity measure to address a temporary state budget shortfall. Yet the measure was left in place, and the result over two decades has been the diversion of more than $1 billion away from local communities.”

Tennessee’s city officials say that propping up the state’s emergency stopgaps long after the need has passed is not in the best interest of city residents. This places an increased burden on cities to raise revenue for their own operations and needs through property taxes, and this forces city residents to shoulder a greater share of the burden for the funding necessary for their own towns and cities.

“Each dollar of shared revenues returned to a community is a dollar less in local taxes that municipal taxpayers must pay,” said [city mayor]. “The legislation will mean (enter amount for your city) that will be shared based on population.”

City officials across the state are seeking the revenue-sharing relationship between state and local government to be applied to 100% of sales tax revenue that flows into the state general fund. The restoration of this important revenue to local taxpayers would allow residents to see direct benefits from increased investments in infrastructure, essential services, economic expansion and afford the quality of life that has allowed this state to prosper.

Mayors are encouraging constituents to contact their respective legislators and ask them to support legislation restoring the historic revenue sharing relationship between the state and its local governments.