

Natural Disaster Relief Refund: Sevier County Wildfires

Individuals Whose Residence(s) Were Damaged or Destroyed by the Sevier County Fire May Receive a Sales Tax Refund on Purchases of Certain Items

Public Chapter 390 expands the natural disaster sales tax refund available to individuals whose primary and/or secondary residence was damaged or destroyed as a result of the Sevier County fires during November 28 through December 9, 2016.¹ Items eligible for the sales tax refund include major appliances and residential furniture (purchased to replace damaged or destroyed items used in the individual's primary or secondary residence) and residential building supplies (used for the purposes of restoration, repair, replacement, or rebuilding the individual's primary or a secondary residence).

The expanded maximum amount of refund available for each residence is \$3,500. If the claim for refund is for the person's primary residence, it must include documentation verifying the assistance the person received from FEMA. If the claim for refund is for the person's secondary residence, the person must certify the secondary residence was damaged or destroyed during the Sevier County fires and provide a copy of their fire department report, insurance adjuster's report or other documentation verifying their secondary residence was damaged or destroyed during the Sevier County fires.

A person filing a claim for refund may also include the Tennessee sales or use tax the person's contractor paid on eligible items and used when making repairs to the home. A person affected by

the disaster should ask his/her contractor to provide an invoice listing the items purchased and the amount of Tennessee sales tax the contractor paid on those purchases.

Steps for Claiming a Refund

A person can file only *one* claim for a primary residence and only *one* claim for one secondary residence for this natural disaster. The claim should include all sales and use tax paid, up to \$3,500, to all retailers for any eligible items. The claim for refund for a primary residence must be filed within *one year* from the date on the FEMA decision letter. The claim for refund for a secondary residence must be filed by April 1, 2018. The refund claims should only include eligible items purchased *after* the date of the disaster. To file a refund claim, follow these steps:

- 1) Gather a copy of your FEMA decision letter if the claim is for your primary residence, or the fire department report or insurance claim if the claim is for a secondary residence, and all of your receipts and invoices showing payment of Tennessee sales tax on eligible items. Include contractor invoices, if applicable, and any other payment documents if store receipts are not available.
- 2) Complete the [Sevier County Wildfire Natural Disaster Claim for Refund](#) form (available on our website), making sure that all lines are completed and legible. Attach additional schedules as necessary.

¹Note that important notice 16-11 issued in December 2016 has been updated for 2017 law changes to expand the sales tax exemption specifically for the Sevier County wildfire natural disaster.

- 3) Soon you will be able to file your Sevier County Wildfire Natural Disaster Claim for Refund through the new Departmental website called Tennessee Taxpayer Access Point (TNTAP). You also may send the completed Sevier County Wildfire Natural Disaster form *and a copy of your FEMA decision letter for a primary residence claim (or fire department report or insurance claim for a secondary residence claim) to:*

ATTN: Natural Disaster Refund Claim
Tennessee Department of Revenue
Andrew Jackson State Office Building
Nashville, TN 37242

- 4) Keep all receipts and invoices for three years from December 31 of the year in which the claim was filed. Do not send receipts and invoices with the claim for refund. If needed, the Department will request the receipts and invoices.

Items Eligible for Refund of Sales Tax Paid

The items that are eligible for a sales tax refund are major appliances purchased for \$3,200 or less, residential furniture purchased for \$3,200 or less, and residential building supplies purchased for \$500 or less. Eligible items by category include the following:

Major Appliances

- Dishwasher
- Dryer
- Fan
- Freezer
- Oven
- Range
- Refrigerator
- Stove
- Vacuum cleaner
- Washer
- Water heater

Residential Furniture

- Bedroom suits
- Book shelves
- Entertainment cabinet
- Lamps

- Desks
- Chairs
- Dining set
- Sofa
- Tables

Residential Building Supplies

- Boxes
- Trash bags
- Drywall
- Roofing shingles
- Gutters downspouts
- Windows
- Insulation
- Paint
- Sheetrock
- Roofing paper
- Vents
- Doors
- Construction tools
- Flooring
- Hardware
- Paint materials
- Other building materials
- Cleaning and disinfecting supplies

See the Department of Revenue website for a more detailed list of [eligible items](#).

Items Not Eligible for Refund of Sales Tax

Items that are not eligible for a sales tax refund include major appliances purchased for more than \$3,200, residential furniture purchased for more than \$3,200, and residential building supplies purchased for more than \$500. Additional items that are not eligible include:

- Clothing
- Computers
- Dehumidifiers
- Dishes
- DVD players
- Fertilizer
- Flooring with unit price of more than \$500
- Flowers
- Food
- Generator
- Grills

Disclaimer: The information provided here is current as of the date of publication but may change as a result of new statutes, regulations, or court decisions. While this notice is intended to be comprehensive, events and situations unanticipated by this notice may occur. In such cases you should contact the department or your tax professional for further guidance.

- HVAC/Heating and air units
- Linens
- Mulch
- Outdoor furniture
- Outdoor lawn and garden equipment
- Outdoor lawn and garden tools
- Potting soil
- Pumps
- Storage units
- Stereos

- Swing sets
- Televisions
- Window treatments

For More Information

Visit www.tn.gov/revenue. Click on Revenue Help to search for answers or to submit an information request to one of our agents.

References

Tenn. Code Ann. § 67-6-396(f); Public Chapter 390 (2017)