

SENATE BILL 294

By Crowe

AN ACT to amend Tennessee Code Annotated, Title 67,  
Chapter 6, Part 3, relative to exemption from sales  
tax on motor vehicles for members of the national  
guard.

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

SECTION 1. Tennessee Code Annotated, Section 67-6-303, is amended by adding the  
following as a new subsection (d):

(1) There is exempt from the tax imposed by this chapter the sale or use of a  
motor vehicle that is registered in this state in accordance with title 55, if the vehicle is  
sold to a qualifying member of the Tennessee national guard. The exemption under this  
subsection (d) applies only to the first fifteen thousand dollars (\$15,000) of the sales  
price and only to one (1) vehicle sold to such individual within a five-year period.

(2) In order to qualify for the exemption provided in this section, the purchaser  
shall provide to the seller, or to the county clerk when appropriate, proof of the  
purchaser's status as a member of the Tennessee national guard and documentation  
from the member's national guard unit certifying that the member is in good standing. A  
copy of the proof and documentation must be retained in the seller's files and a copy  
must also accompany the application for registration.

SECTION 2. This act takes effect July 1, 2025, the public welfare requiring it, and  
applies to purchases of motor vehicles made on or after that date.