

Property Tax Revenues

Property Tax revenues are the largest single source of operating revenues. This tax is levied based on the assessed value of various types of property including:

- Real property (land, structures, and lease-hold improvements),
- Personal property (business equipment, excluding inventories for resale) and
- Public utility property (real and personal property owned by utilities and organizations regulated by the State)

In 2014 Memphis' assessed value of real property:

- 51.01% Residential
- 36.14% Commercial
- 12.29% Industrial
- 0.07% Farm
- 0.49% Multiple

Assessment Percentage of Appraisal:

Residential	25%
Commercial	40%
Industrial	40%
Public Utility	55%
Farm	25%
Personal Property	30%

The assessed value of a residential property with an appraised value of \$100,000 would be \$25,000 (.25 x100,000), while a commercial property of the same appraised value would have an assessed value of \$40,000 (.40 x100,000).

Tax rates are set by the Council through the annual budget process. These rates are set as necessary in order to fund a balanced budget that provides services believed to be necessary and affordable.

The City Treasurer generates tax bills based on the following information: the assessed value of the property and the tax rate to figure each property tax bill. That office also collects the taxes.

To calculate the property tax bill, the assessed value is divided by \$100 and the result is multiplied by the tax rate. For example, a residential property appraised at \$100,000 would be assessed at \$25,000 (the \$100,000 appraised value times the 25% residential assessment ratio). With a tax rate set at \$3.40, the calculation is:

$$\begin{aligned} \text{tax} &= (\$25,000/\$100) \times \$3.40 \text{ per } \$100 \\ &= \$250 \times \$3.40 = \$850.00 \end{aligned}$$

Property tax bills are mailed to property owners and, if taxes are paid through an escrow account, also to the mortgage holder. This normally occurs by July 1. Tax payments are due by the end of August.

Property Tax revenues along with other local tax sources provide the City with the largest source of revenue to the operating budget.

Property appraisals are done by the Shelby County Assessor of Property, except for public utilities which are assessed by the Tennessee Regulatory Authority. Appraised value is the estimated market value based on a point in time. Certain properties are exempt such as government, religious, charitable, etc.

Tax History

TAX HISTORY

Historical property tax rates are displayed in the table below.

HISTORY OF PROPERTY TAXES

Tax Year	Fiscal Year	General Fund	Schools	Debt Service	Capital Pay Go	Total Rate
1980	1981	1.720000	1.060000	0.290000	0.0000	3.07
1981	1982	2.000000	1.140000	0.410000	0.0000	3.55
1982	1983	2.080000	1.140000	0.450000	0.0000	3.67
1983	1984	1.680000	1.000000	0.450000	0.0000	3.13
1984	1985	1.680000	1.000000	0.450000	0.0000	3.13
1985	1986	1.830000	1.030000	0.450000	0.0000	3.31
1986	1987	1.909800	1.030000	0.370200	0.0000	3.31
1987	1988	1.896660	1.030000	0.383340	0.0000	3.31
1988	1989	1.588270	1.090000	0.631730	0.0000	3.31
1989	1990	1.662870	1.030000	0.617130	0.0000	3.31
1990	1991	1.620490	1.030000	0.659510	0.0000	3.31
1991	1992	1.094100	0.665655	0.386900	0.0000	2.15
1992	1993	1.304296	0.804955	0.566704	0.0000	2.68
1993	1994	1.610611	0.967537	0.596990	0.0000	3.18
1994	1995	1.672400	0.967538	0.535200	0.0000	3.18
1995	1996	1.672400	0.967538	0.535200	0.0000	3.18
1996	1997	1.672400	0.967538	0.535200	0.0000	3.18
1997	1998	1.672400	0.967538	0.535200	0.0000	3.18
1998	1999	1.376300	0.840675	0.548800	0.0000	2.77
1999	2000	1.376300	0.840675	0.548800	0.0000	2.77
2000	2001	1.751000	0.894900	0.724100	0.0000	3.37
2001	2002	1.678500	0.857800	0.694100	0.0000	3.23
2002	2003	1.675300	0.857800	0.694100	0.0032	3.23
2003	2004	1.675300	0.857800	0.694100	0.0032	3.23
2004	2005	1.675300	0.857800	0.694100	0.0032	3.23
2005	2006	1.908800	0.827100	0.694100	0.0032	3.43
2006	2007	1.908800	0.827100	0.694100	0.0032	3.43
2007	2008	1.908800	0.827100	0.694100	0.0032	3.43
2008	2009	2.342700	0.190000	0.714100	0.0032	3.25
2009	2010	2.291700	0.186800	0.714100	0.0031	3.19
2010	2011	2.291700	0.186800	0.714100	0.0031	3.19
2011	2012	2.471700	0.000000	0.714100	0.0031	3.19
2012	2013	2.291700	0.100000	0.715200	0.0031	3.11
2013	2014	2.487400	0.000000	0.909300	0.0033	3.40
2014	2015	2.312500	0.000000	1.084200	0.0033	3.40
2015	2016	2.312500	0.000000	1.084200	0.0033	3.40
2016	2017	2.312500	0.000000	1.084200	0.0033	3.40
2017	2018	2.225088	0.000000	1.043218	.003175	3.271481