

Restore Tennessee Real Estate Transfer Funds in 2010...



Overview: An addition to Tennessee's Real Estate Transfer Tax was designated in 1986 to protect wetlands in Tennessee and in 1991 the tax was renewed and increased with passage of the "State and Local Parks and Recreation Partnership Act." This created a dedicated fund (generated from the .08 cent tax on \$100 of assessed value for realty transfers) to conserve land for parks, wildlife areas, and greenways, and to provide cost-share incentives to farmers for clean water projects. These programs preserve the natural beauty of Tennessee. The dedicated funds generated from the transfer of real estate make sense. As real estate is developed and new residents move to Tennessee, a small portion of the transfer tax is re-invested in protecting a Forever Green Tennessee. However, in 2003 and again in 2008, this "designated" fund was taken to help balance the State's general budget. The legislation reinstates these designated funds in 2010, unless they are targeted and taken once again to balance the State's budget. This is not why this tax was established and it is needed now more than ever. Our beautiful homeland is at risk and is worth this small investment.

The Need: We need the approximate \$20 million each year to keep Tennessee forever green and beautiful. We need it to ensure a healthy environment *and* a healthy economy. Farming employs about 342,000 Tennesseans, contributes \$44.2 billion to our economy and 43% of our land area is in farms. Cost-share incentives for Tennessee farmers help keep our drinking water clean and help farmers who feed us all with practical, on-the-ground projects that protect rivers and streams. Tourism is the second largest industry in Tennessee, employing 181,000 Tennesseans and contributing \$13.4 billion to our economy and \$1 billion in local and state tax revenues. People come to Tennessee because it is green and beautiful. The top tourist attractions in Tennessee are parks. It is short-sighted not to keep this program fueling our economic engine. This tax represents only .07% of our State's \$29 Billion budget. Tennessee is 7th worst in America for how quickly we are destroying forests and farms and chopping them up for roads and other development. We lose 80,000 acres each year! Shamefully, we are 50th nationwide in environmental spending. These funds are needed to save incredible scenic attractions that are at risk! Rocky Fork, Bluffs at Scott's Gulf, Cummins Falls, The Big Trees at Warner Parks, Mississippi River Bluffs, the Fiery Gizzard Trail, Segments of the Cumberland Trail, Rattlesnake Falls, Virgin Falls, Short Mountain, and more. We can't sell our children's future short by risking our greatest natural assets. Our quality of life, our water and wildlife, our future depends on these investments. Large tracts of land will never be more available than they are today. And Federal funds will be lost unless the State provides required matching funds needed. Raiding these funds is a step backward in terms of stewardship of our land and responsible budgeting. Please restore this funding in 2010! *Forever Green Tennessee!*

The Funds: Four (4) funds are established from a dedicated .08 cent increase on the Real Estate Transfer Tax. Tennessee's Real Estate Transfer Tax is .37 on \$100 assessed value of property transferred. This .08 addition generates approximately \$20 million. These funds, their dedicated purpose and approximate revenue per year are listed.

<u>Fund Name</u>	<u>Use</u>	<u>App. Annual Funding</u>
<i>Wetlands Fund</i> Conserves wildlife and water and places to hunt and fish.	.0325 (per \$100)	\$7.6 million
<i>State Land Acquisition Fund</i> Saves our scenic treasures in state parks and forests.	.015	\$3.7 million
<i>Local Parks & Recreation Fund</i> Builds great local parks and greenways. Leverages 50% match from local governments.	.0175	\$4 million
<i>Agricultural Resources Conservation Fund</i> Helps farmers and protects our drinking water by providing cost-share programs to reduce pollution in our streams.	.015	\$3.7 million

Successes of the Programs: These funds have leveraged investments from numerous sources including federal, city and county, non-governmental organizations, and private philanthropy. App. 240,000 acres have been acquired. These places make our communities more livable, more attractive to industry and tourism. Conservation projects make our environment healthier and our economy stronger.

To get involved, call Kathleen Williams, Tennessee Parks and Greenways Foundation at 615-386-3171.
www.tenngreen.org Tennessee needs you.