



TENNESSEE BUSINESS LICENSES

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The Basics:

- You need a business license is:
 - Your Gross Sales \$3,000 or more
 - You are domiciled in Tennessee
 - A separate license for each city and county (\$15 minimum each location)
 - Minimum license fee applies up to \$10,000 in gross sales
 - Activities includes:
 - Sales of tangible property in TN
 - Services provided in TN
 - Leasing of tangible property in TN

What is Business?:

- Includes:
 - Any activity engaged in by any person with the object of gain, benefit, or advantage
 - Either directly or indirectly
 - Does NOT include:
 - Occasional and isolated sales or transactions of a person not routinely engaged in business
 - AKA casual and isolated sales
 - i.e. Restaurant sells a piece of art
 - License applies to dominant business activity

The Applicable Categories:

- Classification 2(F) would apply to:
 - Persons making sales of:
 - Tangible personal property not specifically enumerated or described elsewhere
 - Classification 3(A) would apply
 - (ii) Persons making sales of:
 - Clothing made to individual order
 - (iii) Persons making sales of:
 - Antique furniture, furnishings, and art objects

What's Taxed?:

- Gross Sales = All sales without regard to any deductions
- Resales = Bought and then resold
- Retail sales
- Wholesale sales

Exemptions:

- Qualifying Blind Persons
- Qualifying Veterans (DAV of Armed Conflicts)
- Affidavit Required for exemption
- Farm Exemptions
- Qualified Amusement Activities
- Other Exemptions:
 - Non Profit Membership Groups (ACA)
 - Professional Privilege Categories
 - Drs, Architects, CPAs
 - Others...

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THANK YOU!

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Questions?