



Members of the 113th General Assembly fulfilled their constitutional duty with the passage of a \$52.8 billion balanced budget for the 2024-25 fiscal year. Total legislative initiatives make up nearly \$21 million in recurring investments and \$141.5 million in nonrecurring expenditures. While revenues have slowed considerably, Tennessee continues to be among the most fiscally stable states in the nation. The budget also makes a \$100 million deposit in the state's Rainy-Day Fund, which serves as the state's savings account to help withstand economic downturns, bringing the fund to a balance of more than \$2.15 billion.

As the General Assembly works towards adjournment, this upcoming week will focus on consideration of major legislative priorities including education saving accounts, franchise and excise tax, and certificate of need laws.

The franchise tax legislation passed both the House and Senate chambers. However, the legislation is in two separate forms. The legislation will go to a conference committee to allow the chambers to come to an agreement on the final form of the legislation. The legislation would cut \$400 million in taxes by modernizing the way the tax is calculated, and manage newly discovered legal risks. It will restructure Tennessee's franchise tax to remove the property measure and authorize the Department of Revenue to issue refunds to taxpayers who have paid the franchise tax based on property located in the state.