Sales Tax Rate on Utilities in Tennessee

**Water Sales**

According to Tennessee Code Annotated 67-6-206(b)(1):

**1.50%** Sales tax rate for Manufacturing customers

**9.75 %** Sales tax rate for Residential/Business customers

**9.50%** Sales tax rate for Residential/Business customers in Decatur Co.

**Natural Gas Sales**

According to Tennessee Code Annotated 67-6-206(b)(1) and 67-6-334:

**1.50%** Sales tax rate for Manufacturing customers

**7.00%** Sales tax rate for all other business/commercial customers

Residential Customers are **EXEMPT** from Tax on Natural Gas Sales