IN THE SUPREME COURT OF TENNESSEE AT NASHVILLE

MAY 182009

IN RE: AMENDMENT TO RULE 9, SECTION ____ RULES OF THE TENNESSEE SUPREME COURT

ORDER

Tenn. Code Ann. § 67-4-1702 levies a tax on the privilege of engaging in certain vocations, professions, businesses and occupations, including "persons licensed as attorneys by the supreme court of Tennessee." Tenn. Code Ann. § 67-4-1704 provides that the failure to pay the privilege tax can result in suspension or revocation of "any license or registration by the appropriate licensing board" and goes on to state that "[t]he supreme court of Tennessee is encouraged to establish guidelines to suspend the license of an attorney who fails to comply with the requirements of this part." As requested in § 67-4-1704, the Court is considering the adoption of new procedures to promote compliance with Tenn. Code Ann. §§ 67-4-1701 – 1710, as those sections apply to attorneys licensed by the Court. Attached as Appendix A to this order is a proposed amendment of Tenn. Sup. Ct. R. 9, adopting new Section _____, which would establish those procedures.

The Court hereby publishes the proposed amendment for public comment and solicits written comments from judges, lawyers, bar organizations, members of the public, and any other interested parties. The deadline for submitting written comments is Friday, June 26, 2009. Written comments should be addressed to:

Michael W. Catalano, Clerk 100 Supreme Court Building 401 Seventh Avenue North Nashville, TN 37219-1407

The Clerk shall provide a copy of this order to LexisNexis and to Thomson-West. In addition, this order shall be posted on the Tennessee Supreme Court's website.

FOR THE COURT:

JANICE M. HOLDER, CHIEF JUSTICE

APPENDIX A

TENN. SUP. CT. R. 9, PROPOSED NEW SECTION

Section ____. Attorneys Failing to Comply with Tenn. Code Ann. § 67-4-1701 – 1710 (Privilege Tax Applicable to Persons Licensed to Practice Law)

Tenn. Code Ann. § 67-4-1702 levies a tax on the privilege of engaging in certain vocations, professions, businesses and occupations, including "persons licensed as attorneys by the supreme court of Tennessee." Tenn. Code Ann. § 67-4-1704 provides that failure to pay the privilege tax can result in suspension or revocation of "any license or registration by the appropriate licensing board" and goes on to state that "[t]he supreme court of Tennessee is encouraged to establish guidelines to suspend the license of an attorney who fails to comply with the requirements of this part." The Supreme Court hereby establishes the following procedures to promote compliance with Tenn. Code Ann. §§ 67-4-1701 – 1710, as those sections apply to attorneys licensed by the Court.

_____.01. The Court designates the Chief Disciplinary Counsel of the Board of Professional Responsibility ("Board") as the official to whom the Department of Revenue shall annually send a list of attorneys licensed by this Court who have failed, for two or more years, to pay the privilege tax imposed by Tenn. Code Ann. § 67-4-1702.

_____.02. Upon receipt of the list of attorneys transmitted by the Department of Revenue, the Chief Disciplinary Counsel shall serve each attorney listed thereon with a Privilege Tax Delinquency Notice, stating that the Department of Revenue has informed the Board that the attorney has failed, for two or more years, to pay the privilege tax imposed by section 67-4-1702 and that the attorney's license is therefore subject to suspension. The Notice shall be served upon the attorney by registered or certified mail, return receipt requested, at the address shown in the most recent registration statement filed by the attorney pursuant to Supreme Court Rule 9, Section 20.5 or other last known address.

_____.03. Each attorney to whom a Privilege Tax Delinquency Notice is issued shall file with the Board, within thirty (30) days of the date of issuance of the Notice, an affidavit supported by documentary evidence showing that the attorney has paid the delinquent privilege taxes and any interest and penalties assessed by the Department of Revenue. In the event the attorney fails to submit such evidence to the Board, Disciplinary Counsel shall proceed according to the following provisions.

_____04. Within thirty (30) days of the expiration of the period for attorneys to respond, as required in section ______03, to the Privilege Tax Delinquency Notices mailed to the attorneys listed by the Department of Revenue, the Chief Disciplinary Counsel shall prepare a proposed Suspension Order listing all attorneys who were issued Privilege Tax Delinquency Notices and who either failed to satisfactorily demonstrate to the Board that they had paid their delinquent taxes (and any interest and penalties) or failed to respond to the Notice. The proposed Suspension Order shall provide that the license to practice law issued to each listed attorney shall be suspended upon the Court's filing

of the order and pending the attorney's payment of the delinquent privilege taxes and any interest and penalties.

_____.05. Upon the Court's review and approval of the order, the Court will file the order summarily suspending the license to practice law of each attorney listed in the order. The suspended attorneys shall comply with the applicable provisions of section 18 of this rule. The suspension shall remain in effect until the attorney pays the delinquent privilege taxes and any interest and penalties, as well as any fees imposed by this rule, and he or she is reinstated pursuant to section ____.07.

_____.06. Each attorney who is issued a Privilege Tax Delinquency Notice shall pay to the Board a fee in the amount of \$100 to defray the Board's costs in issuing the Notice. Each attorney whose license to practice law is suspended by the Court pursuant to this rule shall pay to the Board a reinstatement fee in the amount of \$200 as a condition of reinstatement of his or her law license after paying the delinquent privilege taxes and any interest and penalties. The reinstatement fee shall be paid in addition to the fee for issuance of the Notice.

_____.07. An attorney suspended by the Court pursuant to this rule may file with the Board an application for reinstatement demonstrating that he or she has paid all delinquent privilege taxes and any interest and penalties. If the application is satisfactory to the Board, if the attorney is otherwise eligible for reinstatement, and if the attorney has paid in full all fees due under this rule, the attorney shall be reinstated without further order.