



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: HB 583 HLS 17RS 1064
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: April 19, 2017 1:19 PM Author: HARRIS, J.
Dept./Agy.: REVENUE Analyst: Benjamin Vincent
Subject: Sales & Use Tax Exemption: Public-owned Stadium Facilities

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Provides relative to state and local sales and use tax exemptions for sales at publicly owned domed stadium facilities, baseball facilities, and other facilities

Current law provides that purchases for admission and any sale, service, or transaction (including parking) taking place during a non-athletic event at a state-owned domed facility or baseball facility are exempt from sales and use taxes by the state and political subdivisions, if the event was bid upon, awarded, or under contract on or before September 1, 2016. For events bid on after September 1, 2016, 50% of the price of admission is exempt, and all other transactions are fully taxable.

Proposed law specifies that all transactions at non-athletic events at state-owned domed and baseball facilities that were first bid upon after September 1, 2016 are subject to the full state and local sales and use tax.

Effective upon governor's signature.

Table with 7 columns: EXPENDITURES, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

To the extent that the 50% exemption on admissions has been taken under current law, and will now be fully taxed under this bill, state general fund and local funds should increase as a result of proposed law.

However, the Dept of Revenue (LDR) reports that the affected facilities have not been claiming the 50% exemption on the admission price allowed in current law. Thus, historical data on the amount of taxes collected and exempted associated with these transactions is unavailable.

In addition, LDR notes that proposed law does not repeal the provision exempting 50% of the admission price for these events, and this may make it unclear whether 50% or 100% of the admission price is subject to the tax.

Senate Dual Referral Rules
13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Signature of Gregory V. Albrecht
Gregory V. Albrecht
Chief Economist