
The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by James Benton.

CONFERENCE COMMITTEE REPORT DIGEST

SB 22

2016 First Extraordinary Session

Morrell

TAX EXEMPTIONS. Modifies the sales and use tax exemption for domed facilities, baseball facilities, and other publicly owned facilities.

Report adopts House amendments to:

1. Eliminate the upper limit on population size for the exemption for a domed arena facility owned by a political subdivision.
2. Add tours of the facility to the list of exemptions from sales and use tax imposed on sales at these facilities.
3. Establish a dedication of local sales and use tax revenues, excluding sales and use tax applicable to sales at trade shows or other events at which the sale of such goods or property is the primary purpose of the show or event, as follows:
 - (a) 20% of the avails of the sales and use taxes imposed in Orleans Parish by any political subdivision which are attributable to sales in a domed stadium shall be distributed to the New Orleans Council on Aging. Monies to satisfy this dedication shall be derived proportionately from the sales and use tax distributions for the following purposes: 50% from the City of New Orleans General Fund, 30% from the Orleans Parish School Board, and 20% from the Regional Transit Authority.
 - (b) As to any parish in which there is located a facility on the property of a public post-secondary educational institution, the avails of any sales and use tax imposed by any political subdivision which are attributable to sales at that facility shall be allocated to that institution.
 - (c) Two-thirds of the avails of any sales and use tax imposed by any political subdivision which are attributable to sales at the Angola State Penitentiary Rodeo shall be allocated to the West Feliciana School Board and one-third allocated to the West Feliciana Council on Aging.
4. Provides that tickets sold in the secondary market shall not be exempt.

Report rejects House amendments which would have:

1. Allowed the avails of the sales and use taxes imposed in East Baton Rouge Parish by any political subdivision which are attributable to sales in a public arena located on the property of Southern University and A&M College would be distributed to Southern University and A&M College.

Report amends the bill to:

1. Provides an exemption for tickets sold by non-profit host organizations in the secondary market.
2. Provides further exemptions for events at certain facilities.

Digest of the bill as proposed by the Conference Committee

Present law provides an exemption from state and local sales and use tax for sales at domed stadium facilities, baseball facilities, and the publicly owned property on which these facilities are located. The only taxable sales are sales at trade shows at which the sale of such goods is the primary purpose of the show.

Proposed law removes the exemptions from sales and use taxes at such events, except as follows:

- (1) Admission tickets to athletic contests or any large scale bid-upon event, wherever sold.
- (2) Any sale, service, or other transaction occurring in such facility, including the sale of parking on adjacent property under the same jurisdiction, in connection with athletic contests or any large scale bid-upon events.
- (3) Sales of goods from a team merchandise store at the facility.
- (4) 50% of the cost price of admission tickets to events, activities, or enterprises other than tickets to athletic contests or any large scale bid-upon events, wherever sold.
- (5) Tours of the facility.
- (6) The full price of admission tickets for non-athletic events if the event was under contract on or before April 1, 2016.

Proposed law provides that these exemptions will apply to any event, activity, or enterprise held in conjunction with an athletic contest held in or adjacent to the facility to which the exemptions apply.

Present law provides an exemption from state sales tax for sales at other publicly owned facilities if the local jurisdiction in which the facility is located also exempts these sales. The only taxable sales are sales at trade shows at which the sale of such goods is the primary purpose of the show.

Proposed law removes the exemptions from state sales tax for sales at these facilities, except as follows:

- (1) Admission tickets to athletic contests or any large scale bid-upon events, wherever sold in the primary ticket market, but not secondary market sales of such tickets unless if sold by a non-profit host organization.
- (2) Any sale, service, or other transaction occurring in such facility, including the sale of parking on adjacent property under the same jurisdiction, in connection with athletic contests or any large scale bid-upon events.
- (3) Sales of goods from a team merchandise store at the facility.
- (4) 50% of the cost price of admission tickets to events, activities, or enterprises other than tickets to athletic contests, wherever sold.
- (5) Tours of the facility.
- (6) The full price of admission tickets for non-athletic events if the event was under contract on or before April 1, 2016.

Proposed law provides that these exemptions will apply to any event, activity, or enterprise held in conjunction with an athletic contest held in or adjacent to the facility to which the exemptions apply.

Proposed law The following allocations of sales and use taxes shall not include the sales and use tax applicable to sales at trade shows or other events at which the sale of such goods or property is the primary purpose of the show or event.

- (1) 20% of the avails of the sales and use taxes imposed in Orleans Parish by any political subdivision which are attributable to sales in a domed stadium shall be distributed to the New Orleans Council on Aging. Monies to satisfy this dedication shall be derived proportionately from the sales and use tax distributions for the following purposes: 50% from the City of New Orleans General Fund, 30% from the Orleans Parish School Board, and 20% from the Regional Transit Authority.
- (2) For purposes of any parish in which there is located a facility on the property of a public post-secondary educational institution that is subject to the provisions of this Section, the avails of any sales and use tax imposed by any political subdivision which are attributable to sales at that facility shall be allocated to that institution."
- (3) Notwithstanding any provision of law to the contrary, 2/3 of the avails of any sales and use tax imposed by any political subdivision which are attributable to sales at the Angola State Penitentiary Rodeo shall be allocated to the West Feliciana School Board and one-third shall be allocated to the West Feliciana Council on Aging.

Proposed law provides legislative intent that the following activities will not be subject to the imposition of sales, use, amusement, or other taxes levied by the state or any local taxing authority:

- (1) Sales of admission tickets and parking for intercollegiate athletic events sponsored or promoted by La.-based colleges or universities and nonprofit corporations affiliated with them.
- (2) Sales of admission tickets and parking for high school athletic events sponsored or promoted by La. high schools.
- (3) Sales of admission tickets and parking for youth sport events sponsored or promoted by La. based youth sports leagues and associations.
- (4) Sales of admission tickets and parking for events sponsored by La.-based civic, educational, historical, charitable, fraternal, or religious organizations that are nonprofit organizations.

Applicable to taxable periods beginning on or after April 1, 2016.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 39:467, 468 and 469(B); adds 470 and 470.1)