

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 336**  
**96TH GENERAL ASSEMBLY**

0910L.02C

D. ADAM CRUMBLISS, Chief Clerk

---

---

**AN ACT**

To amend chapter 67, RSMo, by adding thereto one new section relating to tax incentives to attract sporting events to Missouri.

---

---

*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 67, RSMo, is amended by adding thereto one new section, to be  
2 known as section 67.3000, to read as follows:

**67.3000. 1. As used in this section, the following words shall mean:**

2 (1) **"Active member", an organization located in the state of Missouri, which**  
3 **solicits and services sports events, sports organizations, and other types of sports-related**  
4 **activities in that community;**

5 (2) **"Applicant" or "applicants", one or more certified sponsors, endorsing**  
6 **counties, endorsing municipalities, or a local organizing committee, acting individually or**  
7 **collectively;**

8 (3) **"Certified sponsor" or "certified sponsors", a nonprofit organization which is**  
9 **an active member of the National Association of Sports Commissions;**

10 (4) **"Department", the Missouri department of economic development;**

11 (5) **"Director", the director of revenue;**

12 (6) **"Eligible costs", shall include:**

13 (a) **Costs necessary for conducting the sporting event;**

14 (b) **Costs relating to the preparations necessary for the conduct of the sporting**  
15 **event; and**

16 (c) **An applicant's pledged obligations to the site selection organization as evidenced**  
17 **by the support contract for the sporting event.**

18

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

19 Eligible costs shall not include any cost associated with (i) the rehabilitation or construction  
20 of any facilities used to host the sporting event but may include costs associated with the  
21 retrofitting of a facility necessary to accommodate the sporting event, and (ii) direct  
22 payments to a for-profit site selection organization;

23 (7) "Endorsing municipality" or "endorsing municipalities", any city, town,  
24 incorporated village, or county that contains a site selected by a site selection organization  
25 for one or more sporting events;

26 (8) "Joinder agreement", an agreement entered into by one or more applicants,  
27 acting individually or collectively, and a site selection organization setting out  
28 representations and assurances by each applicant in connection with the selection of a site  
29 in this state for the location of a sporting event;

30 (9) "Joinder undertaking", an agreement entered into by one or more applicants,  
31 acting individually or collectively, and a site selection organization that each applicant will  
32 execute a joinder agreement in the event that the site selection organization selects a site  
33 in this state for a sporting event;

34 (10) "Local organizing committee", a nonprofit corporation or its successor in  
35 interest that:

36 (a) Has been authorized by one or more certified sponsors, endorsing  
37 municipalities, or endorsing counties, acting individually or collectively, to pursue an  
38 application and bid on its or the applicant's behalf to a site selection organization for  
39 selection as the site of one or more sporting events; or

40 (b) With the authorization of one or more certified sponsors, endorsing  
41 municipalities, or endorsing counties, acting individually or collectively, executes an  
42 agreement with a site selection organization regarding a bid to host one or more sporting  
43 events;

44 (11) "Site selection organization", the National Collegiate Athletic Association  
45 (NCAA); an NCAA member conference, university, or institution; the National Association  
46 of Intercollegiate Athletics (NAIA); the United States Olympic Committee (USOC); a  
47 national governing body (NGB) or international federation of a sport recognized by the  
48 USOC; the United States Golf Association (USGA); the United States Tennis Association  
49 (USTA); the Amateur Athletic Union (AAU); the Amateur Softball Association of America  
50 (ASA); other major regional, national, and international sports associations, leagues, and  
51 organizations that promote, organize, or administer sporting games, competitions, or  
52 events; or other major regional, national, and international organizations that promote or  
53 organize eligible events;

54           (12) "Sporting event" or "sporting events", an NCAA national championship,  
55 including the Final Four, Frozen Four, wrestling championships, and other Division I, II,  
56 and III men's and women's national championship events; NCAA postseason basketball  
57 regional and first and second rounds; college football bowl game; NCAA post-season  
58 college football game; college football or basketball game played at a neutral site;  
59 collegiate athletic conference championship or tournament; NAIA tournament or  
60 championship; a regional or national championship of an amateur sport sanctioned by the  
61 national governing body of a sport recognized by the USOC; Olympic trials or other  
62 Olympic competition; USGA amateur event; Davis Cup or Fed Cup tennis match; World  
63 Cup soccer match; AAU, ASA, US Youth Soccer, or other major regional or national youth  
64 sports tournaments; or other major sporting events approved by the department that  
65 generate new tax revenue for the state of Missouri. The term includes any event and  
66 activity related to or associated with a sporting event;

67           (13) "Support contract" or "support contracts", an event award notification,  
68 joinder undertaking, joinder agreement, or contract executed by an applicant and a site  
69 selection organization;

70           (14) "Tax credit" or "tax credits", a credit or credits issued by the department  
71 against the tax otherwise due under chapter 143 or 148, excluding withholding tax imposed  
72 by sections 143.191 to 143.265.

73           2. An applicant may submit a copy of a support contract for a sporting event to the  
74 department. Within sixty days of receipt of the sporting event support contract, the  
75 department shall review the applicant's support contract and certify such support contract  
76 if it complies with the requirements of this section. Upon certification of the support  
77 contract by the department, the applicant shall be authorized to receive the tax credit  
78 under subsection 4 of this section. In addition, at any time, including during the site  
79 selection process, an applicant may request that the department estimate the receipts from  
80 the total tax imposed by chapter 144, determined in the manner set forth in subsection 3  
81 of this section, that is directly attributable to the preparation for and conduct of the  
82 sporting event. The applicant may submit the department's estimate to a site selection  
83 organization.

84           3. In making the determinations of the estimated or actual tax receipts provided for  
85 in this section, the department, in consultation with the director, shall determine the  
86 geographic boundaries of the market area for the sporting event and the time period for  
87 which there is likely to be an economic impact attributable to the sporting event. The  
88 market area shall be the geographic area in which there is a reasonable likelihood of a  
89 measurable economic impact directly attributable to the preparation for and conduct of

90 the sporting event, including areas likely to provide venues, accommodations, and services  
91 in connection with the sporting event based on the support contract entered into by the  
92 applicant and the site selection organization. An endorsing municipality that has been  
93 selected as the site for the sporting event shall be included in the market area for the  
94 sporting event. The tax revenues in the market area of the sporting event shall be  
95 calculated from the total tax imposed by chapter 144. The time period shall be the greater  
96 of:

97 (1) The period for which the primary venue is contracted by the site selection  
98 organization for the sporting event; or

99 (2) The two-week period that ends at the end of the day after the date on which a  
100 sporting event will be held or such longer period as determined by the department.

101 4. No more than thirty days following the conclusion of the sporting event, the  
102 applicant shall submit eligible costs and documentation of the costs evidenced by receipts,  
103 paid invoices, or other documentation in a manner prescribed by the department.

104 5. No later than sixty days following the conclusion of the sporting event, the  
105 department, in consultation with the director, shall determine the amount of tax revenues  
106 which are directly attributable to the sporting event or related events, in the manner  
107 provided under subsection 3 of this section. No later than sixty days following the receipt  
108 of eligible costs and documentation of such costs from the applicant as required in  
109 subsection 4 of this section, the department shall issue a refundable tax credit to the  
110 applicant for the lesser of one hundred percent of eligible costs incurred by the applicant  
111 or fifty percent of the increase in tax revenues within the market area directly attributable  
112 to the supporting event. Tax credits authorized by this section may be claimed against  
113 taxes imposed by chapters 143 and 148 and shall be claimed within one year of the close  
114 of the taxable year for which the credits were issued. Tax credits authorized by this section  
115 may be transferred, sold, or assigned by filing a notarized endorsement thereof with the  
116 department that names the transferee, the amount of tax credit transferred, and the value  
117 received for the credit, as well as any other information reasonably requested by the  
118 department.

119 6. In no event shall the amount of tax credits issued by the department under this  
120 section exceed ten million dollars in any fiscal year. In any fiscal year, no more than eight  
121 million dollars in tax credits shall be available to all applicants which submit support  
122 contracts for sporting events to be held in any city not within a county or counties with a  
123 population in excess of three hundred thousand inhabitants.

124 7. An applicant shall provide any information necessary as determined by the  
125 department for the department and the director to fulfill the duties required by this

126 section. At any time upon the request of the state of Missouri, a certified sponsor will  
127 subject itself to an audit conducted by the state.

128 **8. This section shall not be construed as creating or requiring a state guarantee of**  
129 **obligations imposed on an endorsing municipality under a support contract or any other**  
130 **agreement relating to hosting one or more sporting events in this state.**

131 **9. The department shall only certify an applicant's support contract for a sporting**  
132 **event in which the site selection organization has yet to select a location for the sporting**  
133 **event as of August 28, 2014. Support contracts shall not be certified by the department**  
134 **after August 28, 2020, provided that the support contracts may be certified prior to August**  
135 **28, 2020, for sporting events that will be held after such date.**

136 **10. The department may promulgate rules, statements of policy, procedures, forms,**  
137 **and guidelines as necessary to implement the provisions of this section. Any rule or portion**  
138 **of a rule, as that term is defined in section 536.010 that is created under the authority**  
139 **delegated in this section shall become effective only if it complies with and is subject to all**  
140 **of the provisions of chapter 536, and, if applicable, section 536.028. This section and**  
141 **chapter 536 are nonseverable and if any of the powers vested with the general assembly**  
142 **pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul**  
143 **a rule are subsequently held unconstitutional, then the grant of rulemaking authority and**  
144 **any rule proposed or adopted after August 28, 2011, shall be invalid and void.**