

SCS SB 10 & 25 -- AMATEUR SPORTING EVENTS

SPONSOR: Senator Schmitt

COMMITTEE ACTION: Voted "Do Pass" by the Committee on General Laws by a vote of 15 to 0.

This substitute creates a refundable income and financial institutions tax credit which may be available for sports commissions, certain nonprofit organizations, counties, and municipalities to offset expenses incurred in attracting amateur sporting events to the state. Applicants for the tax credit must submit game support contracts to the Department of Economic Development for approval. No support contract can be approved unless the site selection organization was choosing between sites both in and outside the state. The tax credit will be equal to the lesser of \$5 for each admission ticket sold for the event or 100% of eligible expenses incurred. No more than \$3 million in tax credits may be issued per fiscal year. The tax credits are fully transferrable, provided a notarized endorsement is filed with the department. The department is prohibited from certifying game support contracts after August 28, 2019, but may certify game support contracts prior to that date for games to be held after August 28, 2019.

The substitute also creates an income, financial institutions, and corporate franchise tax credit equal to 50% of an eligible donation made, on or after January 1, 2013, to a certified sponsor or local organizing committee for the purpose of attracting sporting events to the state. The tax credit is non-refundable, but may be carried forward two years. The tax credit is transferable. Certified sponsors and local organizing committees may, on behalf of taxpayers, apply to the department for the tax credits. Applications for tax credits must be accompanied by payment in an amount equal to the tax credits requested. The department is prohibited from issuing more than \$10 million in tax credits each fiscal year.

The provisions of the substitute will expire six years from the effective date.

PROPONENTS: Supporters say that over the past few years, competition has increased in attracting amateur sporting events. The bill will allow Missouri to compete in attracting these events by providing a tax credit to offset expenses. These events can be very lucrative in the amount of money they bring into a community from the people who travel to and attend the events. Other states are already helping with the costs, so Missouri is starting to have trouble competing for events that could increase revenue for the

communities and the state. The bill will remedy the issue.

Testifying for the bill were Senator Schmitt; Frank Viverito, St. Louis Sports Commission; Kathy Nelson, Kansas City Sports Commission and Foundation; Craig Hull, Joplin Sports Authority; David Leezer, Greater St. Charles Convention and Visitors Bureau; City of St. Louis; Missouri Chamber of Commerce and Industry; St. Louis Regional Chamber and Growth Association; Greater Kansas City Chamber of Commerce and Missouri Park and Recreation Association; and St. Louis County Municipal League.

OPPONENTS: There was no opposition voiced to the committee.