

SCS SBs 10 & 25 -- INCENTIVES FOR SPORTING EVENTS

This bill authorizes a refundable income and financial institutions tax credit for sports commissions, nonprofit organizations, counties, and municipalities to offset the expenses incurred in attracting amateur sporting events to the state. An applicant for the tax credit must submit a copy of the sporting event support contract to the Department of Economic Development for approval. A support contract cannot be approved unless the site selection organization has chosen to use a location in this state from competitive bids, at least one of which was a bid for a location outside of this 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 must be claimed within one year of the close of the taxable year it was issued, but the credits are fully transferable if 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 bill also authorizes 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 amount of the tax credit cannot exceed the amount of the taxpayer's state income tax liability in the tax year for which the credit is claimed. The tax credit is non-refundable, but may be carried forward for two years and is transferable. Certified sponsors and local organizing committees may, on behalf of taxpayers, apply to the department for the tax credits. An application for the tax credit must be accompanied by a payment in an amount equal to the tax credits requested. The amount of tax credits issued cannot exceed \$10 million in any fiscal year.

The provisions of the bill will expire six years after the effective date.