

HCS HB 1438 -- AMATEUR SPORTING EVENTS TAX CREDIT

SPONSOR: Evans

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Economic Development by a vote of 11 to 0.

This bill reauthorizes the Amateur Sporting Events Tax Credit until August 28, 2030, while making various other changes. Bid fees and financial guarantees are added to the definition of "eligible costs" used to determine the amount of a tax credit authorized, and the bill extends the deadline for a tax credit applicant to submit eligible costs and proper documentation from 30 to 90 days following the conclusion of a sporting event. The bill also adds the Amateur Athletic Union, the National Christian College Athletic Association, the National Junior College Athletic Association, the United States Sports Specialty Association, and rights holder members of the National Association of Sports Commissions to the list of "site selection organizations" that determine tax credit qualifying sporting events. The definition of "sporting events" is then expanded to include collegiate competitions.

The bill further provides that the tax credit authorized by the Amateur Sporting Events Tax Credit program for the hosting of a qualifying sporting event shall be the least of 100% of eligible costs, an amount equal to \$5 for every admission ticket, or an amount equal to \$10 for every paid participant registration if the sporting event did not sell admission tickets. The latter two values shall be calculated using the actual number of tickets sold or registrations paid, not estimates.

Furthermore, for purposes of having a certified support contract necessary for receiving a tax credit, site selection organizations need not use a competitive bid process when organizing any previously-awarded event the is held due to a contract extension or any collegiate football bowl games or other neutral-site games with at least one out-of-state team. However, in no event shall the amount of tax credits authorized exceed \$2.7 million in any fiscal year for sporting events located in Jackson County, St. Louis County, or St. Louis City.

PROPOSERS: Supporters say that the economic activity associated with sporting events that take advantage of the sporting events tax credit always exceeds the amount of deferred revenue due to the tax credit. The tax credit has been a crucial lifeline for attracting sporting events to both Kansas City and St. Louis, including the South Eastern Conference National Collegiate Athletic Association Tournament. This bill also expands those benefits to lesser known sporting events such as those hosted by the National Horseshoe

Pitching Association.

Testifying for the bill were Representative Evans; Mike Kelly; Missouri Chamber of Commerce and Industry; Joseph Ward, Greater St Charles Convention and Visitors Bureau; Frank Viverito, St Louis Sports Commission; Austin Rippetto, Jefferson City Convention Bureau; Kathy Nelson, Kansas City Sports Commission and Foundation; Missouri Hotel and Lodging Association; and the St. Louis and Kansas City Sports Commissions.

OPPONENTS: There was no opposition voiced to the committee.