

HCS HB 1786 -- INCOME TAX CREDIT TO ATTRACT SPORTING GAMES AND EVENTS (Jones, 89)

COMMITTEE OF ORIGIN: Special Committee on General Laws

This substitute authorizes an income tax credit for the eligible costs, as specified in the substitute, for bringing eligible events such as conventions or sporting games to Missouri. "Eligible event" is defined in the substitute and is based on population characteristics of the areas where the events will occur. In order to receive the tax credit, the Department of Economic Development must certify the applicant's game or event support contract between the applicant and a site selection organization. These organizations are specified in the substitute and include the National Collegiate Athletic Association (NCAA) and the United States Olympic Committee (USOC).

Within 60 days of the conclusion of the game or event, the department, in consultation with the Director of the Department of Revenue, must determine the amount of tax revenues which is directly attributable or related to the game or event. Within 60 days of receiving documentation from the applicant of the eligible costs, the Department of Economic Development will issue a refundable tax credit equal to 100% of the eligible costs or 90% of the tax revenues within the market area which are directly attributable to the game or event, whichever is less. The applicant must submit evidence of the eligible costs within 60 days of the conclusion of the game or event.

No more than \$10 million of these tax credits can be issued by the department in any fiscal year, and the credit may be transferred or sold. The department is also limited to issuing no more than 75% of total tax credits for game promotion and no more than 25% of total tax credits for event promotion. Support contracts cannot be certified by the department later than six years from the effective date of the substitute; however, the department can certify contracts during this six-year period for games that will be held more than six years from the effective date.

FISCAL NOTE: Estimated Cost on General Revenue Fund of \$63,561 to \$10,063,516 in FY 2011, \$71,751 to \$10,071,751 in FY 2012, and \$73,903 to \$10,073,903 in FY 2013. No impact on Other State Funds in FY 2011, FY 2012, and FY 2013.