

SUBCOMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2002 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Skye McNiel _____

Reading Clerk

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 PROPOSED SUBCOMMITTEE
4 SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 2002

By: McNiel

6
7 PROPOSED SUBCOMMITTEE SUBSTITUTE

8 An Act relating to sales tax; amending 68 O.S. 2011,
9 Sections 4303 and 4304, which relate to the Oklahoma
10 Quality Events Incentive Act; defining term;
11 modifying definition; modifying time frame for
12 specified procedures; providing an effective date;
13 and declaring an emergency.

13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY 68 O.S. 2011, Section 4303, is
15 amended to read as follows:

16 Section 4303. As used in the Oklahoma Quality Events Incentive
17 Act:

18 1. "Certified sponsor" means an entity or organization
19 authorized to promote and conduct a quality event, which is
20 incurring expenses for the promotion of such event to be conducted
21 within the corporate limits of an eligible municipality or an
22 unincorporated area within a county;

1 2. "Economic impact study" means a study of the geographic area
2 designated by a host community pursuant to Section 4 4304 of this
3 ~~act~~ title, which includes:

- 4 a. a description and, if applicable, history of the
5 quality event,
- 6 b. information regarding the site selection process for
7 the quality event,
- 8 c. an estimate of the expenses anticipated to be incurred
9 in connection with hosting the quality event,
- 10 d. an estimate of the total gross sales made by vendors
11 within the designated area during any period of time
12 during which no quality event activity occurs,
- 13 e. a detailed estimate of the anticipated increase in
14 sales tax revenue directly attributable to the quality
15 event,
- 16 f. the general economic impact likely to occur in the
17 designated area as a result of the preparation for,
18 occurrence of and activity occurring in connection
19 with the dissolution of, a quality event, and
- 20 g. any additional information the Oklahoma Tax Commission
21 may require;

22 3. "Eligible local support amounts" means:

- 23 a. any payment made by a local government entity or
24 transfer of monies from the general fund or transfer

1 of tax revenues derived from a locally imposed tax to
2 a certified sponsor for the purpose of attracting,
3 promoting, advertising, organizing, conducting or
4 otherwise supporting a quality event, or

- 5 b. any direct payment made by a certified sponsor to a
6 for-profit or nonprofit entity, other than the host
7 community, for the purpose of attracting, promoting,
8 advertising, organizing, conducting or otherwise
9 supporting a quality event;

10 4. "Event history" means:

- 11 a. historical information on the event including past
12 locations of the event,
13 b. a description of previous attempts by the host
14 community to secure the event,
15 c. information regarding attempts by other communities to
16 recruit the event, and
17 d. if applicable, the competitive bidding process for
18 securing the event by the host community;

19 5. "Host community" means any county, incorporated city or
20 town, or any combination of counties, incorporated cities or towns
21 of the state which are authorized by their respective governing
22 bodies to host or assist in the presentation of a quality event;

23 ~~5.~~ 6. "Incremental sales tax revenue" means, with respect to a
24 new event, a comparison of the amount of additional state sales tax

1 revenue, if any, in excess of the amount of state sales tax revenue
2 collected within a quality event area during the same month of the
3 preceding year for purposes of the economic impact study required by
4 Section 4 4304 of this ~~act~~ title; or, with respect to a recurring
5 event, a comparison of the amount of additional sales tax revenue,
6 if any, in excess of the calculated average amount of sales tax
7 revenue collected in the quality event area during the preceding
8 year for purposes of the economic impact study required by Section 4
9 4304 of this ~~act~~ title. For purposes of computing the calculated
10 average amount of monthly sales tax revenue collected as required by
11 this paragraph with respect to a recurring event, the Oklahoma Tax
12 Commission shall average total sales tax revenue collected by month
13 but shall exclude revenue collected during the same month or months
14 in a prior year during which the recurring event was conducted and
15 if the event does not occur during the months of November or
16 December, shall also exclude revenue collected during the
17 immediately preceding November and December. The calculated average
18 amount of monthly sales tax revenue shall be used to determine
19 whether a recurring event produces incremental sales tax revenues
20 for purposes of this act;

21 ~~6.~~ 7. "New event" means a quality event which did not occur
22 within a period of twenty-four (24) months prior to the month during
23 which a quality event is held;

24 ~~7.~~ 8. "Quality event" means:

1 ~~10.~~ 11. "Revenue capture period" means a time period beginning
2 no earlier than two (2) days prior to the quality event date or the
3 first day upon which the quality event occurs and ending no later
4 than two (2) days after the conclusion of the quality event date or
5 the last day upon which quality event activities occur;

6 ~~11.~~ 12. "State sales tax revenue" means the proceeds from the
7 state sales tax levy imposed pursuant to Section 1354 of ~~Title 68 of~~
8 ~~the Oklahoma Statutes~~ this title upon taxable transactions occurring
9 within the quality event area during the authorized revenue capture
10 period; and

11 ~~12.~~ 13. "Vendors" means those persons or business entities
12 making taxable sales of tangible personal property or services
13 within a quality event area and, unless the context otherwise
14 requires, shall have the same meaning as defined by Section 1352 of
15 ~~Title 68 of the Oklahoma Statutes~~ this title.

16 SECTION 2. AMENDATORY 68 O.S. 2011, Section 4304, is
17 amended to read as follows:

18 Section 4304. A. Not later than ~~one (1) year~~ six (6) months
19 prior to the initial date of a quality event, a host community may
20 designate:

- 21 1. A geographic area as a quality event area;
- 22 2. A length of time as the revenue capture period; and

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1 3. The type of expenses eligible for distribution of captured
2 revenues to the host community including, but not limited to,
3 advertising, facility rental, promotional materials and security.

4 B. Any designation made by a host community for purposes of
5 this act shall be made pursuant to an ordinance or resolution duly
6 adopted by the governing body of the host community.

7 C. A host community may only designate one quality event during
8 a single designated revenue capture period for purposes of the
9 payments authorized by this act.

10 D. Within ~~ninety (90)~~ thirty (30) days of the date on which the
11 host community adopts an ordinance or resolution pursuant to
12 subsection A of this section, such host community shall submit to
13 the Oklahoma Tax Commission, on such forms as the Tax Commission may
14 prescribe, a copy of such ordinance or resolution ~~and~~, an economic
15 impact study and the event history.

16 E. Within ~~ninety (90)~~ sixty (60) days from the date of receipt
17 of the information from the host community as required by subsection
18 D of this section, the Tax Commission shall approve or disapprove,
19 in whole or in part, the economic impact study for the purposes of
20 this act. In making its determination, the Tax Commission shall
21 consider whether or not the economic impact study contains the
22 elements required in paragraph 2 of Section ~~3~~ 4303 of this ~~act~~ title
23 and whether or not the information provided is validly documented
24 and based on generally accepted economic and statistical standards

1 used for purposes of similar studies. The Oklahoma Department of
2 Commerce and the Oklahoma Tourism and Recreation Department shall
3 provide such assistance and information as requested by the Tax
4 Commission to approve or disapprove an economic impact study.

5 SECTION 3. This act shall become effective July 1, 2013.

6 SECTION 4. It being immediately necessary for the preservation
7 of the public peace, health and safety, an emergency is hereby
8 declared to exist, by reason whereof this act shall take effect and
9 be in full force from and after its passage and approval.

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