

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 59th Legislature (2023)

4 ENGROSSED SENATE
5 BILL NO. 746

By: Coleman of the Senate

and

Hilbert of the House

6 **[state sales tax incentives - Oklahoma Quality**

7 **Events Incentive Act - definition of quality event**

8 **- effective date]**

9 **~~BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:~~**

10 SECTION 1. AMENDATORY 68 O.S. 2021, Section 4303, is
11 amended to read as follows:

12 Section 4303. As used in the Oklahoma Quality Events Incentive
13 Act:

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

19 2. "Economic impact study" means a study which includes:

- a. a description and, if applicable, history of the quality event,
- b. information regarding the site selection process for the quality event,
- c. an estimate of the expenses anticipated to be incurred in connection with hosting the quality event,
- d. an estimate of the total gross sales made by vendors during any period of time during which no quality event activity occurs,
- e. a detailed estimate of the anticipated increase in sales tax revenue directly attributable to the quality event, and
- f. the general economic impact likely to occur as a result of the preparation for, occurrence of and activity occurring in connection with the dissolution of, a quality event;

3. "Eligible local support amounts" means:

- a. any payment made by a local government entity or transfer of monies from the general fund or transfer of tax revenues derived from a locally imposed tax to a certified sponsor for the purpose of attracting, promoting, advertising, organizing, conducting, or otherwise supporting a quality event, or

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

6 4. "Event history" means:

7 a. historical information on the event including past
8 locations of the event,

9 b. a description of previous attempts by the host
10 community to secure the event,

11 c. information regarding attempts by other communities to
12 recruit the event, and

13 d. if applicable, the competitive bidding process for
14 securing the event by the host community;

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

19 6. "Incremental sales tax revenue" means the amount of
20 additional state sales tax revenue collected as a result of the
21 quality event, as determined by an economic impact study verified by
22 the Oklahoma Tax Commission;

1 7. "New event" means a quality event which did not occur within
2 a period of twenty-four (24) months prior to the month during which
3 a quality event is held;

4 8. "Quality event" means:

5 a. a new event or a meeting of a nationally recognized
6 organization or its members,

7 b. a new or existing event that is a national,
8 international or world championship, ~~or~~

9 c. a new or existing event that is managed or produced by
10 an Oklahoma-based national or international
11 organization,

12 d. for counties with a population of less than one
13 hundred thousand (100,000) persons, or a city with
14 less than ten thousand (10,000) people in a county
15 with more than one hundred thousand (100,000) persons
16 according to the latest Federal Decennial Census, no
17 more than one new or existing event designated by the
18 county or city per calendar year. Provided, at least
19 twenty-five percent (25%) of attendees of the
20 designated event shall be comprised of residents from
21 outside this state, or

22 e. for a combination of at least two (2) counties, towns,
23 cities, or municipalities along the route of or
24 containing within its boundaries, a National Scenic

1 Byway or State Scenic Byway, designated pursuant to
2 the National Scenic Byways Program, pursuant to 23
3 U.S.C., Section 162, one driving related event per
4 calendar year;

5 9. "Recurring event" means a quality event which occurred at
6 least once within the twenty-four (24) months prior to the month
7 during which a quality event is held;

8 10. "State sales tax revenue" means the proceeds from the state
9 sales tax levy imposed pursuant to Section 1354 of this title upon
10 taxable transactions occurring as a result of the quality event, as
11 determined by an economic impact study verified by the Oklahoma Tax
12 Commission; and

13 11. "Vendors" means those persons or business entities making
14 taxable sales of tangible personal property or services as a result
15 of the quality event, as determined by an economic impact study
16 verified by the Oklahoma Tax Commission and, unless the context
17 otherwise requires, shall have the same meaning as defined by
18 Section 1352 of this title.

19 SECTION 2. This act shall become effective November 1, 2023.
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21 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
22 04/05/2023 - DO PASS, As Amended.
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