

SENATE FLOOR VERSION

February 27, 2023

SENATE BILL NO. 746

By: Coleman of the Senate

and

Hilbert of the House

[sales tax incentives - quality event - effective
date]

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

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

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

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

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
- b. any direct payment made by a certified sponsor to a for-profit or nonprofit entity, other than the host community, for the purpose of attracting, promoting,

1 advertising, organizing, conducting, or otherwise
2 supporting a quality event;

3 4. "Event history" means:

- 4 a. historical information on the event including past
- 5 locations of the event,
- 6 b. a description of previous attempts by the host
- 7 community to secure the event,
- 8 c. information regarding attempts by other communities to
- 9 recruit the event, and
- 10 d. if applicable, the competitive bidding process for
- 11 securing the event by the host community;

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

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

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

23 8. "Quality event" means:

- 1 a. a new event or a meeting of a nationally recognized
2 organization or its members,
- 3 b. a new or existing event that is a national,
4 international or world championship, ~~or~~
- 5 c. a new or existing event that is managed or produced by
6 an Oklahoma-based national or international
7 organization,
- 8 d. for counties with a population of less than one
9 hundred thousand (100,000) persons, or a city with
10 less than ten thousand (10,000) people in a county
11 with more than one hundred thousand (100,000) persons
12 according to the latest Federal Decennial Census, no
13 more than one new or existing event designated by the
14 county or city per calendar year. Provided, at least
15 twenty-five percent (25%) of attendees of the
16 designated event shall be comprised of residents from
17 outside this state, or
- 18 e. for a combination of at least two (2) counties, towns,
19 cities, or municipalities along the route of or
20 containing within its boundaries, a National Scenic
21 Byway or State Scenic Byway, designated pursuant to
22 the National Scenic Byways Program, pursuant to 23
23 U.S.C., Section 162, one driving related event per
24 calendar year;

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

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

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

15 SECTION 2. This act shall become effective November 1, 2023.

16 COMMITTEE REPORT BY: COMMITTEE ON FINANCE
17 February 27, 2023 - DO PASS
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