

1 **SENATE FLOOR VERSION**

2 February 18, 2026

3 **AS AMENDED**

4 SENATE BILL NO. 1998

5 By: Coleman

6 [incentives - eligible expenses - limit - effective
7 date]

8
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:

20 a. a description and, if applicable, history of the
21 quality event,

22 b. information regarding the site selection process for
23 the quality event,
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- 1 c. an estimate of the expenses anticipated to be incurred
2 in connection with hosting the quality event,
3 d. an estimate of the total gross sales made by vendors
4 during any period of time during which no quality
5 event activity occurs,
6 e. a detailed estimate of the anticipated increase in
7 sales tax revenue directly attributable to the quality
8 event, and
9 f. the general economic impact likely to occur as a
10 result of the preparation for, occurrence of, and any
11 activity occurring in connection with the dissolution
12 of, a quality event;

13 3. "Eligible local support amounts" means:

- 14 a. any payment made by a local government entity or
15 transfer of monies from the general fund or transfer
16 of tax revenues derived from a locally imposed tax to
17 a certified sponsor for the purpose of attracting,
18 promoting, advertising, organizing, conducting, or
19 otherwise supporting a quality event, or
20 b. any direct payment made by a certified sponsor to a
21 for-profit or nonprofit entity, other than the host
22 community, for the purpose of attracting, promoting,
23 advertising, organizing, conducting, or otherwise
24 supporting a quality event;

1 4. "Event history" means:

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

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

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

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

21 7. "Projected incremental sales tax revenue" means the amount
22 of additional state sales tax revenue that is projected to occur as
23 a result of the quality event, as determined by an economic impact
24 study verified by the Oklahoma Tax Commission;

1 8. "Quality event" means:

2 a. a new event or a meeting of a nationally recognized
3 organization or its members,

4 b. a new or existing event that is a national,
5 international, or world championship, ~~or~~

6 c. a new or existing event that is managed or produced by
7 an Oklahoma-based national or international
8 organization, or

9 d. any new or existing event designated by an
10 incorporated city or town as a quality event
11 regardless of whether it meets the conditions
12 prescribed by subparagraphs a, b, or c of this
13 paragraph. Provided, such city or town may only
14 designate one quality event each year and such city or
15 town or a certified sponsor shall invest a minimum of
16 Five Thousand Dollars (\$5,000.00) in promoting,
17 marketing, or signage associated with the event in
18 order for the event to qualify under this
19 subparagraph;

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

23 10. "State sales tax revenue" means the proceeds from the state
24 sales tax levy imposed pursuant to Section 1354 of this title upon

1 taxable transactions occurring as a result of the quality event, as
2 determined by an economic impact study verified by the Oklahoma Tax
3 Commission; and

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

10 SECTION 2. AMENDATORY 68 O.S. 2021, Section 4304, is
11 amended to read as follows:

12 Section 4304. A. Not later than thirty (30) days prior to the
13 initial date of a quality event, a host community may designate:

14 1. The dates during which a quality event will be hosted; and

15 2. The type of expenses eligible for distribution of captured

16 revenues to the host community including, but not limited to,

17 advertising, facility rental, promotional materials ~~and security,~~

18 equipment rental or purchase of equipment that will be owned by the

19 host community, professional services, musical talent and

20 production, and safety and security equipment and services including

21 services provided by local fire and police departments.

22 B. Any designation made by a host community for purposes of the
23 Oklahoma Quality Events Incentive Act shall be made pursuant to an

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1 ordinance or resolution duly adopted by the governing body of the
2 host community.

3 C. A host community may only designate one quality event during
4 the time frame in which a designated quality event will occur.

5 D. Within sixty (60) days of the date on which the host
6 community adopts an ordinance or resolution pursuant to subsection A
7 of this section, such host community shall submit to the Oklahoma
8 Tax Commission, on such forms as the Tax Commission may prescribe, a
9 copy of such ordinance or resolution, an economic impact study, and
10 the event history. The Oklahoma Tax Commission shall designate a
11 single employee or division responsible for processing information,
12 making determinations, and any other duties related to the Oklahoma
13 Quality Events Incentive Act.

14 E. Within sixty (60) days from the date of receipt of the
15 information from the host community as required by subsection D of
16 this section, the Tax Commission shall approve or disapprove, in
17 whole or in part, the submission and analysis of the required
18 information. The Oklahoma Department of Commerce and the Oklahoma
19 Tourism and Recreation Department shall provide such assistance and
20 information as requested by the Tax Commission.

21 SECTION 3. AMENDATORY 68 O.S. 2021, Section 4305, is
22 amended to read as follows:

23 Section 4305. A. The host community shall provide to the
24 Oklahoma Tax Commission detailed information disclosing the total

1 amount of eligible local support amounts for purposes of determining
2 the amount of ~~incremental~~ state sales tax revenue that may be paid
3 to a host community in which a quality event occurs.

4 B. The Tax Commission shall verify the amount of eligible local
5 support amounts prior to making any payment to a host community.

6 C. After the conclusion of an event, the host community shall
7 provide information related to the event, such as attendance
8 figures, financial information, or other public information held by
9 the host community that the Tax Commission considers necessary to
10 evaluate the actual economic impact of the event.

11 D. The Tax Commission shall compare the total amount of
12 eligible local support amounts with the total amount of projected
13 ~~incremental state sales tax revenues remitted by vendors, such~~
14 ~~revenues to be established through the economic impact study.~~

15 E. ~~If the Tax Commission determines through an analysis of the~~
16 ~~economic impact study that the total amount of incremental state~~
17 ~~sales tax revenues is zero, no payment shall be made to a host~~
18 ~~community.~~

19 ~~F.~~ If the Tax Commission determines through an analysis of the
20 economic impact study that the total amount of projected incremental
21 ~~state sales tax revenues is greater than zero, but less than the~~
22 total amount of eligible local support amounts, the Tax Commission
23 shall make payment, subject to the limitations of subsection ~~F~~ H of

1 this section, to the host community of the quality event in an
2 amount equal to the projected incremental ~~state~~ sales tax revenues.

3 ~~G.~~ F. If the Tax Commission determines through an analysis of
4 the economic impact study that the total amount of projected
5 incremental ~~state~~ sales tax revenues is at least equal to the amount
6 of eligible local support amounts, the Tax Commission shall make
7 payment, subject to the limitations of subsection ~~F~~ H of this
8 section, to the host community in which the quality event occurs in
9 an amount equal to, but not greater than, the eligible local support
10 amounts.

11 ~~H.~~ G. No payment shall be made to any host community from a
12 source other than the projected incremental ~~state~~ sales tax
13 revenues, if any, derived from state sales tax remittances of
14 vendors as a result of the quality event, as determined by an
15 economic impact study verified by the Oklahoma Tax Commission.

16 ~~I.~~ ~~No~~ H. Regardless of the amount of eligible local support
17 paid by the host community or certified sponsor, no payment shall be
18 made to any host community in excess of:

19 1. Two Hundred Fifty Thousand Dollars (\$250,000.00) for a
20 single quality event ~~regardless of the amount of eligible local~~
21 ~~support paid by the host community~~ defined pursuant to subparagraphs
22 a through c of paragraph 8 of Section 4303 of this title; or

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