



House of Representatives

General Assembly

File No. 500

February Session, 2010

Substitute House Bill No. 5529

House of Representatives, April 13, 2010

The Committee on Finance, Revenue and Bonding reported through REP. STAPLES of the 96th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING AN EXEMPTION FROM THE ADMISSIONS TAX AT RENTSCHLER FIELD.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-541 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2010, and*
3 *applicable to admission charges imposed on or after said date*):

4 (a) There is hereby imposed a tax of ten per cent of the admission
5 charge to any place of amusement, entertainment or recreation, except
6 that no tax shall be imposed with respect to any admission charge (1)
7 when the admission charge is less than one dollar or, in the case of any
8 motion picture show, when the admission charge is not more than five
9 dollars, (2) when a daily admission charge is imposed which entitles
10 the patron to participate in an athletic or sporting activity, (3) to any
11 event, other than events held at the stadium facility, as defined in
12 section 32-651, if all of the proceeds from [which] the event inure
13 exclusively to an entity which is exempt from federal income tax under

14 the Internal Revenue Code, provided such entity actively engages in
15 and assumes the financial risk associated with the presentation of such
16 event, (4) to any event, other than events held at the stadium facility, as
17 defined in section 32-651, which, in the opinion of the commissioner, is
18 conducted primarily to raise funds for an entity which is exempt from
19 federal income tax under the Internal Revenue Code, provided the
20 commissioner is satisfied that the net profit which inures to such entity
21 from such event will exceed the amount of the admissions tax which,
22 but for this subdivision, would be imposed upon the person making
23 such charge to such event, (5) to (A) any event at the Hartford Civic
24 Center, the New Haven Coliseum, New Britain Beehive Stadium, New
25 Britain Stadium, effective for events occurring on or after the date such
26 stadium was placed in service, New Britain Veterans Memorial
27 Stadium, Bridgeport Harbor Yard Stadium, Stafford Motor Speedway,
28 Lime Rock Park, Thompson Speedway and Waterford Speedbowl,
29 facilities owned or managed by the Tennis Foundation of Connecticut
30 or any successor organization, the William A. O'Neill Convocation
31 Center, the Connecticut Exposition Center, Nature's Art, the
32 Connecticut Convention Center, or, commencing on or after November
33 1, 2006, Dodd Stadium or the Arena at Harbor Yard, and (B) games of
34 the New Britain Rock Cats, New Haven Ravens or the Waterbury
35 Spirit, (6) other than for events held at the stadium facility, as defined
36 in section 32-651, paid by centers of service for elderly persons, as
37 described in subdivision (d) of section 17b-425, (7) to any production
38 featuring live performances by actors or musicians presented at
39 Gateway's Candlewood Playhouse, Ocean Beach Park or any nonprofit
40 theater or playhouse in the state, provided such theater or playhouse
41 possesses evidence confirming exemption from federal tax under
42 Section 501 of the Internal Revenue Code, (8) to any carnival or
43 amusement ride, [or] (9) to any interscholastic athletic event held at the
44 stadium facility, as defined in section 32-651, or (10) if the admission
45 charge would have been subject to tax under the provisions of section
46 12-542 of the general statutes, revision of 1958, revised to January 1,
47 1999. On and after July 1, 2000, the tax imposed under this section on
48 any motion picture show shall be eight per cent of the admission

49 charge and, on and after July 1, 2001, the tax imposed on any such
50 motion picture show shall be six per cent of such charge.

51 (b) The tax shall be imposed upon the person making such charge
52 and reimbursement for the tax shall be collected by such person from
53 the purchase. Such reimbursement, termed "tax", shall be paid by the
54 purchaser to the person making the admission charge. Such tax, when
55 added to the admission charge, shall be a debt from the purchaser to
56 the person making the admission charge and shall be recoverable at
57 law. The amount of tax reimbursement, when so collected, shall be
58 deemed to be a special fund in trust for the state of Connecticut.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2010, and applicable to admission charges imposed on or after said date</i>	12-541

FIN *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 11 \$	FY 12 \$
Department of Revenue Services	GF - Revenue Loss	Less than 5,000	Less than 5,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill exempts interscholastic athletic events held at Rentschler Field from the admissions tax, which is anticipated to result in a revenue loss to the General Fund of less than \$5,000 annually beginning in FY 11.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis

sHB 5529

AN ACT CONCERNING AN EXEMPTION FROM THE ADMISSIONS TAX AT RENTSCHLER FIELD.

SUMMARY:

The bill exempts charges for interscholastic athletic events held at Rentschler Field from the 10% admissions tax. Under current law, charges for events benefiting federally tax-exempt organizations are exempt from the tax, but charges for such events held at Rentschler Field are taxable.

EFFECTIVE DATE: July 1, 2010 and applicable to admission charges imposed on or after that date.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 47 Nay 0 (03/25/2010)