

## Finance Revenue and Bonding Committee

### **Testimony of Charles H. Steedman of the XL Center In Opposition to S.B. 1007, An Act Concerning the Governor's Recommendations on Revenue**

March 7, 2011

Good afternoon Senator Dailey, Representative Widlitz and members of the Finance Revenue and Bonding Committee. My name is Chuck Steedman. I am the Senior Vice President and General Manager at the XL Center and I am here to testify in opposition to S.B. 1007, An Act Concerning the Governor's Recommendations on Revenue.

The XL Center Veterans Memorial Coliseum & Exhibition Center is Connecticut's premier sports and entertainment facility, hosting sporting events, exhibitions, concerts, and family entertainment. We are a substantial part of the viability and vitality of downtown Hartford.

Section 12-541 of the Connecticut General Statutes exempts our facility from the cabaret and admissions tax of 10%. This exemption is absolutely essential in order for us to compete to bring high value shows to the City of Hartford because our primary competition, the Mohegan Sun Arena, does not have to pay this tax. When we are recruiting acts to come to Connecticut, the very first question is whether the state has a sales tax on admissions. Most states do not. Acts, especially these days, are very conscious of the price that they can charge their fans. It may well be unrealistic to hope that the acts would ignore this tax and choose the City of Hartford over the Mohegan Sun or other venues in the Northeast.

The XL Center competes directly every day with the Mohegan Sun. When an act or show chooses the XL Center over the Mohegan Sun, the City of Hartford wins, our two labor unions, win and we win. When an act chooses the Mohegan Sun or bypasses the region altogether, the City of Hartford loses, our labor unions lose and we lose. Removing this exemption and adding a 10% tax on tickets quite frankly will be devastating to the XL Center and to the City of Hartford. It will create a terribly unlevel and unfair playing field.

Thank you very much for your consideration of our position and I am available at your convenience to address this personally.