



# STAFFORD MOTOR SPEEDWAY

55 WEST STREET, PO BOX 105, STAFFORD SPRINGS, CT 06076

PHONE 860-684-2783 / FAX 860-684-6236 / EMAIL SMSONLINE@STAFFORDSPEEDWAY.COM

WWW.STAFFORDSPEEDWAY.COM

## Testimony for the Finance, Revenue and Bonding Committee

### Senate Bill 1132 AAC The Admissions Tax

Monday April 20,2015

Good morning, Chairman Fonfara, Chairman Berger, ranking members Frantz and Davis and honorable members of the Finance Committee. My name is Mark Arute and I am the owner and Chief Executive Officer of Stafford Springs Enterprises Incorporated doing business as Stafford Motor Speedway. I am submitting this testimony to the Committee, requesting the inclusion of auto race tracks, specifically, Stafford Motor Speedway in the exemption of state admissions tax under S.B. Bill 1132 Section 1 (a).

The facility has been owned and operated by my family since 1970 and a community landmark since early 1900. Stafford Motor Speedway is in business to provide a first class auto racing facility for racecar drivers, teams and fans at a local level, along with a variety of other entertainment events. We pride ourselves on family fun at family friendly prices. We also strive to maintain a professional entertainment venue with emphasis on safety and customer conveniences which requires constant upgrading to an aging facility.

We have maintained the same admission price since 2008, even though expenses have risen across the board from local taxes, unemployment taxes, insurance rates, utility rates and minimum wage. When the 10% admission tax was enforced we kept our pricing the same and passed the tax on to our customers. The customers only looked at the bottom line and therefore the admission tax reflected negatively on Stafford Motor Speedway. Instead of visiting our facility weekly, we found our customers chose to attend fewer events throughout the season.

Lower attendance and less income has resulted in limited improvements to our facility which minimizes the hiring of local contractors for maintenance and improvements. Lower attendance has directly contributed to the reduction of staff for both part-time and seasonal employees.

Our customers come from all over New England and their attendance also effects our local economy. They stay at local hotels, purchase gas, food, drinks and auto parts, to name a few items, in the towns in and around Stafford Springs. Local retailers along with the State of Connecticut are directly impacted when our attendance declines.

Prior to 2011, Stafford Motor Speedway was included with the exempt entertainment venues. Those same venues are currently seeking exemption in S.B. Bill 1132 Section 1(a). Stafford Motor Speedway was originally included within the group that is presently seeking exemption, and we feel as though we should again be grouped with these entertainment venues. These are the venues that we compete with for the entertainment dollar. We would be at a distinct disadvantage otherwise.

One example of the disadvantage is that both the XL Center and the Harbor Yard in Bridgeport host a Monster Jam event each year promoted by Feld Entertainment. Stafford Motor Speedway has hosted the exact same event in July for the past 30 years. By excluding us from the exemption, there is a distinct possibility that Feld Entertainment will eliminate our event in the future as the attendance would decrease due to the cost of the ticket.

I thank the Finance Committee for your time and attention on this and other difficult issues and respectfully urge the committee to include auto race tracks, specifically Stafford Motor Speedway with the exempt from admission tax group.

For more information please contact me at any time.

Respectfully submitted,

*Mark A. Arute*

Mark A. Arute  
CEO/GM  
Stafford Motor Speedway  
860-684-2783