

## Connecticut's Admissions and Dues Taxes

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### Issue

Explain the state's admissions and dues taxes. This report updates OLR Report [2017-R-0269](#).

### Summary

Connecticut's admissions tax applies to most admission charges by places offering amusement, entertainment, or recreation in the state. The tax applies to movies, theaters, sporting events, concerts, amusement parks, and similar places and events, with certain exceptions. The tax rate is 10% of the admission charge, except for (1) admissions to certain venues and events, which are subject to a 5% rate, and (2) movie tickets costing more than \$5, which are subject to a 6% rate.

The dues tax rate is 10% and applies to membership dues or initiation fees for most social, athletic, or sporting club organizations in the state. Both the admissions and dues taxes are levied on the facility assessing the charge and collected by the facility from the customer or member ([CGS § 12-540 et seq.](#), as amended by [PA 19-117](#), § 354).

In addition to the state admissions tax, state law authorizes a municipality to impose a local option admissions surcharge on admission charges to most events held at a facility located within the municipality ([CGS § 7-168a](#)).

# Admissions Tax

## *Tax Rate and Base*

The admissions tax applies to amounts paid for tickets; licenses; skybox, luxury suite, or club seat rentals; and any other admission charges, including any charges for the right to buy seats. It covers theaters; movies; lecture and concert halls; amusement parks and fairgrounds; dance halls; sporting facilities, ball parks, race tracks, tennis courts, golf and miniature golf courses, skating rinks, beaches, swimming pools, and gyms; stadiums and amphitheaters; convention centers; auto, boat, camping, home, dog, and antique shows; and other similar venues and events ([CGS § 12-540\(3\)](#)).

The tax rate is 10% of the admissions charge, except for (1) admissions to the venues and events listed in Table 1, which are subject to a 5% tax rate, and (2) movie tickets costing more than \$5, which are subject to a 6% tax rate. (Movie tickets costing \$5 or less are exempt from the tax.)

The 5% rate for the specified venues and events applies for sales occurring on or after July 1, 2020. The 2019 biennial budget decreased this rate from 10% to 7.5% for sales occurring on or after July 1, 2019, and from 7.5% to 5% for sales occurring on or after July 1, 2020 ([PA 19-117](#), § 354).

## *Exemptions*

Table 2 lists admissions tax exemptions. The exemptions fall into three categories based on the following: (1) amount of the admission charge, (2) type of event or activity, and (3) facility where an event is held.

**Table 1: Venues and Events Subject to Reduced Admissions Tax Rate**

XL Center (Hartford)
Dillon Stadium (Hartford)
New Britain Stadium (for athletic events presented by an Atlantic League of Professional Baseball member team)
Webster Bank Arena (Bridgeport)
Harbor Yard Amphitheater (Bridgeport)
Dodd Stadium (Norwich)
Oakdale Theatre (Wallingford)
Rentschler Field (East Hartford; for events other than interscholastic athletic events, which are exempt from the tax)

**Table 2: Admissions Tax Exemptions**

<i>Exempt Charges</i>
Admission charges less than \$1
Movie tickets costing \$5 or less
Instruction charges

**Table 2 (continued)**

<i>Exempt Events or Activities</i>
Daily admission charges that allow patrons to participate in a sport or athletic activity
Events from which all proceeds go exclusively to a federally tax-exempt organization, provided the organization actively engages in presenting the event and assumes the financial risk of presenting it (excluding events at Rentschler Field)
Other events that the revenue services commissioner determines are held primarily to raise money for a nonprofit organization, provided the amount raised is greater than the tax that would otherwise be due (excluding those at Rentschler Field)
Events paid for by senior centers providing recreational, cultural, and other leisure activities (excluding those at Rentschler Field)
Live performances at Gateway's Candlewood Playhouse, Ocean Beach Park, or any other nonprofit theater, as long as the theater has evidence of a federal tax exemption
Carnival and amusement park rides
Interscholastic athletic events at Rentschler Field
<i>Exempt Facilities</i>
Cabarets serving alcohol and providing music, dancing, or other entertainment that, before July 1, 1999, was subject to the cabaret tax
Dunkin' Donuts Park in Hartford (as of July 1, 2020)*

\*The 2019 biennial budget (1) reduced the admissions tax rate on events at Dunkin' Donuts Park, from 10% to 5%, beginning July 1, 2019, and (2) fully exempted such events from the tax beginning July 1, 2020 ([PA 19-117](#), § 354)

## Dues Tax

The 10% dues tax applies to amounts paid as dues or initiation fees to any social, athletic, or sporting club (i.e., organizations owned or operated, or both owned and operated, by members). Table 3 lists the charges and organizations exempt from the tax.

**Table 3: Dues Tax Exemptions**

<i>Exempt Charges</i>
Instruction charges
Locker rentals
Special assessments for certain capital expenditures
<i>Exempt Organizations</i>
Clubs charging annual dues and initiation fees of \$100 or less
Clubs sponsored or controlled by a charitable or religious organization, government agency, or nonprofit educational institution
Any society, order, or association operating under the lodge system or any local fraternal organization among students of a college or university
Lawn bowling clubs

## Revenue

Table 4 shows the amount of revenue the state collected from the admissions and dues tax in FYs 17 through 19. The FY 19 figure includes revenue from the transportation network company fee, which by law must be included with the admissions and dues tax for revenue reporting purposes ([CGS § 13b-121\(f\)](#), as amended by [PA 19-186](#), § 8).

**Table 4: Admissions and Dues Tax Revenue**

<b>FY</b>	<b>Total Revenue</b>
19	\$46,690,427*
18	40,351,508
17	39,508,556

Source: DRS [FY 19 Annual Report](#)

*\*Includes revenue from the transportation network company fee*

## Local Admissions Surcharge

State law allows a municipality to impose, by ordinance, a surcharge on admission charges to events held at a facility located within the municipality. The surcharge may be up to 5% of the admission charge, except that the surcharge on events held at Dunkin' Donuts Park in Hartford may be up to 10%. The local surcharge applies in addition to the state admission tax.

By law, municipalities cannot apply the surcharge to (1) movies; (2) events from which all proceeds go exclusively to a federally tax-exempt organization, provided that organization actively engages in and assumes the financial risk of presenting the event; and (3) pari-mutuel or off-track betting facilities already subject to a local admissions tax. Municipalities may, by ordinance, exclude additional events or facilities from the surcharge ([CGS § 7-168a](#)).

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