

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2113-01  
Bill No.: SB 399  
Subject: Taxation and Revenue - Sales and Use  
Type: Original  
Date: March 25, 2019

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Bill Summary: This proposal modifies provisions relating to sales taxes on certain admission tickets.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
General Revenue	(\$43,300,000 to \$67,500,000)	(\$52,000,000 to \$81,000,000)	(\$52,000,000 to \$81,000,000)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$43,300,000 to \$67,500,000)</b>	<b>(\$52,000,000 to \$81,000,000)</b>	<b>(\$52,000,000 to \$81,000,000)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 18 pages.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
School District Trust (0688)	(\$14,400,000 to \$22,500,000)	(\$17,300,000 to \$27,000,000)	(\$17,300,000 to \$27,000,000)
Conservation Commission (0609)	(\$1,800,000 to \$2,800,000)	(\$2,200,000 to \$3,400,000)	(\$2,200,000 to \$3,400,000)
Parks, Soil & Water (0613 & 0614)	(\$1,400,000 to \$2,300,000)	(\$1,700,000 to \$2,700,000)	(\$1,700,000 to \$2,700,000)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$17,600,000 to \$27,600,000)</b>	<b>(\$21,200,000 to \$33,100,000)</b>	<b>(\$21,200,000 to \$33,100,000)</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Local Government</b>	<b>(\$55,800,000 to \$86,800,000)</b>	<b>(\$66,900,000 to \$104,200,000)</b>	<b>(\$66,900,000 to \$104,200,000)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Office of Administration Division of Budget and Planning (B&P)** assume this proposal would change the sales tax on admissions for and in places of amusement, entertainment and recreation, games and athletic events by levying the sales tax on only the admission to spectate sporting events, dance performances, theater performances, orchestra, concerts, and other performing arts productions, racetracks, arcades, theme and amusement parks, water parks, circuses, carnivals, festivals, air shows, museums, marinas, movie theaters, go-karts, miniature golf, zip lines, amusement rides, and other tourist excursions.

B&P notes that the proposal appears to eliminate sales taxes within such places, only levying the sales tax on the original admission fee. B&P further notes that it is unclear whether other taxable items, such as food, would still be taxable under this proposal. Therefore, B&P will provide a range estimate showing the loss with and without sales of food and merchandise. B&P further assumes that this would also exempt impacted items from all state and local sales tax collections.

#### Method 1

Proposal eliminates sales tax on all sales except admission. DOR provided B&P with a list of NAICS codes that could be impacted by this proposal. DOR also provided B&P with information on the percentage of sales related to admissions for the impacted businesses. Based on information from DOR, B&P estimates that admissions to impacted businesses are approximately 21% of total sales, except amusement parks where admissions are equal to 55% of total sales. Table 1 shows the industries impacted, calendar year 2017 taxable sales, and the amount of sales that would no longer be taxable under this proposal.

ASSUMPTION (continued)

Table 1: Only Admission Remains Taxable

<b>NAICS Code</b>	<b>Definition</b>	<b>CY 2017 Taxable Sales</b>	<b>% of Sales From Admission</b>	<b>Sales Remaining Taxable</b>	<b>Sales No Longer Taxable</b>
114210	HUNTING AND TRAPPING	\$4,434,623	21%	\$931,271	\$3,503,352
487110	SCENIC AND SIGHTSEEING TRANSPORTATION, LAND	\$5,004,574	21%	\$1,050,961	\$3,953,613
487210	SCENIC AND SIGHTSEEING TRANSPORTATION, WATER	\$6,676,153	21%	\$1,401,992	\$5,274,161
487990	SCENIC AND SIGHTSEEING TRANSPORTATION, OTHER	\$0	21%	\$0	\$0
512131	MOTION PICTURE THEATERS (EXCEPT DRIVE-INS)	\$221,320,791	21%	\$46,477,366	\$174,843,425
512132	DRIVE-IN MOTION PICTURE THEATERS	\$0	21%	\$0	\$0
611620	SPORTS AND RECREATION INSTRUCTION	\$3,669,151	21%	\$770,522	\$2,898,629
611699	ALL OTHER MISCELLANEOUS SCHOOLS AND INSTRUCTION	\$2,623,391	21%	\$550,912	\$2,072,479
711110	THEATER COMPANIES AND DINNER THEATERS	\$66,583,602	21%	\$13,982,556	\$52,601,045
711120	DANCE COMPANIES	\$0	21%	\$0	\$0
711130	MUSICAL GROUPS AND ARTISTS	\$16,737,602	21%	\$3,514,897	\$13,222,706
711190	OTHER PERFORMING ARTS COMPANIES	\$2,366,417	21%	\$496,948	\$1,869,470

NAICS Code	Definition	CY 2017 Taxable Sales	% of Sales From Admission	Sales Remaining Taxable	Sales No Longer Taxable
711212	RACETRACKS	\$3,620,940	21%	\$760,397	\$2,860,542
711219	OTHER SPECTATOR SPORTS	\$1,105,601	21%	\$232,176	\$873,425
712110	MUSEUMS	\$31,732,684	21%	\$6,663,864	\$25,068,821
712130	ZOOS AND BOTANICAL GARDENS	\$8,534,505	21%	\$1,792,246	\$6,742,259
712190	NATURE PARKS AND OTHER SIMILAR INSTITUTIONS	\$12,854,046	21%	\$2,699,350	\$10,154,696
713110	AMUSEMENT AND THEME PARKS	\$234,270,729	55%	\$128,848,901	\$105,421,828
713120	AMUSEMENT ARCADES	\$19,593,054	21%	\$4,114,541	\$15,478,513
713910	GOLF COURSES AND COUNTRY CLUBS	\$130,599,293	21%	\$27,425,852	\$103,173,441
713920	SKIING FACILITIES	\$0	21%	\$0	\$0
713930	MARINAS	\$20,893,882	21%	\$4,387,715	\$16,506,167
713940	FITNESS AND RECREATIONAL SPORTS CENTERS	\$186,718,776	21%	\$39,210,943	\$147,507,833
713950	BOWLING CENTERS	\$49,719,961	21%	\$10,441,192	\$39,278,769
713990	ALL OTHER AMUSEMENT AND RECREATION INDUSTRIES	\$131,333,822	21%	\$27,580,103	\$103,753,720
721110	HOTELS (EXCEPT CASINO HOTELS) AND MOTELS	\$1,869,674,478	21%	\$392,631,640	\$1,477,042,837
721120	CASINO HOTELS	\$36,129,737	21%	\$7,587,245	\$28,542,492
721191	BED-AND-BREAKFAST INNS	\$9,629,637	21%	\$2,022,224	\$7,607,413
721199	ALL OTHER TRAVELER ACCOMMODATION	\$25,478,472	21%	\$5,350,479	\$20,127,993
721211	RV (RECREATIONAL VEHICLE) PARKS AND CAMPGROUNDS	\$49,948,106	21%	\$10,489,102	\$39,459,004

<b>NAICS Code</b>	<b>Definition</b>	<b>CY 2017 Taxable Sales</b>	<b>% of Sales From Admission</b>	<b>Sales Remaining Taxable</b>	<b>Sales No Longer Taxable</b>
721214	RECREATIONAL AND VACATION CAMPS (EXCEPT CAMPGROUNDS)	\$4,026,841	21%	\$845,637	\$3,181,204
722410	DRINKING PLACES (ALCOHOLIC BEVERAGES)	\$362,149,028	21%	\$76,051,296	\$286,097,732
<b>Total Exempt Sales</b>					\$2,699,117,570

Based on the above information and data, B&P estimates that this proposal could exempt up to \$2.7 billion in sales. Therefore, B&P estimates that this proposal could reduce Total State Revenue by \$114.1 million and General Revenue by \$81.0 million annually.

**Method 2**

The proposal eliminates sales tax on all sales except admission, food, and merchandise. DOR provided B&P with a list of NAICS codes that could be impacted by this proposal. DOR also provided B&P with information on the percentage of sales related to admissions for the impacted businesses. Based on information from DOR, B&P estimates that admissions to impacted businesses are approximately 21% of total sales, except amusement parks where admissions are equal to 55% of total sales.

In addition, B&P was able to find data indicating that approximately 18% of sales into movie theaters were from concession sales, the average bar sales from food is approximately 25%, and the sales from food and merchandise in amusement parks is approximately 38% of sales. For the purpose of this fiscal note, B&P will assume that the remaining businesses have food and merchandise sales equal to 27%, which is the average of the three rates above. Table 2 shows the industries impacted, calendar year 2017 taxable sales, and the amount of sales that would no longer be taxable under this proposal.

ASSUMPTION (continued)

Table 2: Admissions and Food/Merchandise Remain Taxable

NAICS Code	Definition	CY 2017 Taxable Sales	% of Sales From Adm	% of Sales From Food / Merch	Total % Sales Still Taxable	Sales still Taxable	Sales No Longer Taxable
114210	HUNTING AND TRAPPING	\$4,434,623	21%	27%	48%	\$2,128,619	\$2,306,004
487110	SCENIC AND SIGHTSEEING TRANSPORTATION, LAND	\$5,004,574	21%	27%	48%	\$2,402,196	\$2,602,378
487210	SCENIC AND SIGHTSEEING TRANSPORTATION, WATER	\$6,676,153	21%	27%	48%	\$3,204,554	\$3,471,600
487990	SCENIC AND SIGHTSEEING TRANSPORTATION, OTHER	\$0	21%	27%	48%	\$0	\$0
512131	MOTION PICTURE THEATERS (EXCEPT DRIVE-INS)	\$221,320,791	21%	18%	39%	\$86,315,109	\$135,005,683
512132	DRIVE-IN MOTION PICTURE THEATERS	\$0	21%	18%	39%	\$0	\$0
611620	SPORTS AND RECREATION INSTRUCTION	\$3,669,151	21%	27%	48%	\$1,761,192	\$1,907,958
611699	ALL OTHER MISCELLANEOUS SCHOOLS AND INSTRUCTION	\$2,623,391	21%	27%	48%	\$1,259,228	\$1,364,163
711110	THEATER COMPANIES AND DINNER THEATERS	\$66,583,602	21%	50%	71%	\$47,274,357	\$19,309,245
711120	DANCE COMPANIES	\$0	21%	27%	48%	\$0	\$0



NAICS Code	Definition	CY 2017 Taxable Sales	% of Sales From Adm	% of Sales From Food / Merch	Total % Sales Still Taxable	Sales still Taxable	Sales No Longer Taxable
711130	MUSICAL GROUPS AND ARTISTS	\$16,737,602	21%	27%	48%	\$8,034,049	\$8,703,553
711190	OTHER PERFORMING ARTS COMPANIES	\$2,366,417	21%	27%	48%	\$1,135,880	\$1,230,537
711212	RACETRACKS	\$3,620,940	21%	27%	48%	\$1,738,051	\$1,882,889
711219	OTHER SPECTATOR SPORTS	\$1,105,601	21%	27%	48%	\$530,689	\$574,913
712110	MUSEUMS	\$31,732,684	21%	27%	48%	\$15,231,689	\$16,500,996
712130	ZOOS AND BOTANICAL GARDENS	\$8,534,505	21%	27%	48%	\$4,096,562	\$4,437,943
712190	NATURE PARKS AND OTHER SIMILAR INSTITUTIONS	\$12,854,046	21%	27%	48%	\$6,169,942	\$6,684,104
713110	AMUSEMENT AND THEME PARKS	\$234,270,729	55%	38%	93%	\$217,871,778	\$16,398,951
713120	AMUSEMENT ARCADES	\$19,593,054	21%	27%	48%	\$9,404,666	\$10,188,388
713910	GOLF COURSES AND COUNTRY CLUBS	\$130,599,293	21%	27%	48%	\$62,687,661	\$67,911,632
713920	SKIING FACILITIES	\$0	21%	27%	48%	\$0	\$0
713930	MARINAS	\$20,893,882	21%	27%	48%	\$10,029,063	\$10,864,819
713940	FITNESS AND RECREATIONAL SPORTS CENTERS	\$186,718,776	21%	27%	48%	\$89,625,013	\$97,093,764
713950	BOWLING CENTERS	\$49,719,961	21%	27%	48%	\$23,865,581	\$25,854,380
713990	ALL OTHER AMUSEMENT AND RECREATION INDUSTRIES	\$131,333,822	21%	27%	48%	\$63,040,235	\$68,293,588
721110	HOTELS (EXCEPT CASINO HOTELS) AND MOTELS	\$1,869,674,478	21%	27%	48%	\$897,443,749	\$972,230,728

NAICS Code	Definition	CY 2017 Taxable Sales	% of Sales From Adm	% of Sales From Food / Merch	Total % Sales Still Taxable	Sales still Taxable	Sales No Longer Taxable
721120	CASINO HOTELS	\$36,129,737	21%	27%	48%	\$17,342,274	\$18,787,463
721191	BED-AND-BREAKFAST INNS	\$9,629,637	21%	50%	71%	\$6,837,042	\$2,792,595
721199	ALL OTHER TRAVELER ACCOMMODATION	\$25,478,472	21%	27%	48%	\$12,229,666	\$13,248,805
721211	RV (RECREATIONAL VEHICLE) PARKS AND CAMPGROUNDS	\$49,948,106	21%	27%	48%	\$23,975,091	\$25,973,015
721214	RECREATIONAL AND VACATION CAMPS (EXCEPT CAMPGROUNDS)	\$4,026,841	21%	27%	48%	\$1,932,883	\$2,093,957
722410	DRINKING PLACES (ALCOHOLIC BEVERAGES)	\$362,149,028	21%	25%	46%	\$166,588,553	\$195,560,475
Total Exempt Sales							\$1,733,274,525

Based on the above information and data, B&P estimates that this proposal could exempt up to \$1.7 billion in sales. Therefore, B&P estimates that this proposal could reduce Total State Revenue by \$73.2 million and General Revenue by \$52.0 million annually.

**B&P Summary**

Combining the estimates from method 1 and method 2, B&P estimates that this proposal could reduce Total State Revenue by \$73.2 million to \$114.1 million and General Revenue by \$52.0 million to \$81.0 million once fully implemented in FY 2021. Table 3 shows the estimated impacts to state and local funds.

ASSUMPTION (continued)

Fund	FY 2020 (10/12 months)		FY 2021 (full year)	
	Low	High	Low	High
General Revenue	(\$43.3)	(\$67.5)	(\$52.0)	(\$81.0)
School District Trust	(\$14.4)	(\$22.5)	(\$17.3)	(\$27.0)
Conservation Commission	(\$1.8)	(\$2.8)	(\$2.2)	(\$3.4)
Parks, Soil & Water	(\$1.4)	(\$2.3)	(\$1.7)	(\$2.7)
Total State Revenue Impact	(\$60.9)	(\$95.1)	(\$73.2)	(\$114.1)
Local (3.86%)	(\$55.8)	(\$86.8)	(\$66.9)	(\$104.2)

**Oversight** will show B&P estimates in the fiscal note.

Officials at the **Department of Revenue (DOR)** assume where necessary to conform to the context of §144.010 to §144.525 and the tax imposed thereby, the term sale at retail shall be construed to embrace: sales of admission tickets, and charges and fees for admission to spectate or for the purpose of reselling to spectate sporting events, dance performances, theater performances, orchestra concerts, and other performing arts productions and amounts paid for admission to racetracks, arcades, theme and amusement parks, water parks, circuses, carnivals, festivals, air shows, museums, marinas, motion picture theaters, go-karts, miniature golf, zip lines, individual stand-alone amusement rides, and other tourist excursions. Such sales shall not include the amount paid or fees paid to or in any place having an exemption under subdivisions (19), (20), or (21) or subsection 2 of section 144.030 or amounts paid for any instructional class.

Such sales under subdivision 2 of subsection 1 of Section 144.020 shall include sales of admission tickets and charges and fees for admission to spectate or for the purpose of reselling to spectate sporting events, dance performances, theater performances, orchestra, concerts and other performing arts productions and amounts paid for admission to racetracks, arcades, theme and amusement parks, water parks, circuses, carnivals, festivals, air shows, museums, marinas, motion picture theaters, go-karts, miniature golf, zip lines, individual stand-alone amusement rides, and other tourist excursions. Such sales shall not include the amount paid or fees paid to or in any place having an exemption under subdivision 19, 20, or 21 of subsection 2 of Section 144.030 or amounts paid for any instructional class.

ASSUMPTION (continued)

A tax equivalent to four percent of the amount paid for admission tickets and charges and fees to spectate or for the purpose of reselling to spectate sporting events, dance performances, theater performances, orchestra, concerts and other performing arts productions and amounts paid for admission to racetracks, arcades, theme and amusement parks, water parks, circuses, carnivals, festivals, air shows, museums, marinas, motion picture theaters, go-karts, miniature golf, zip lines, individual stand-alone amusement rides, and other tourist excursions. Such sales shall not include the amount paid or fees paid to or in any place having an exemption under subdivision 20, 21, 22 of subsection 2 of Section 144.030, or amounts paid for instructional class.

The Department had researched the following terms on NAICS Association website - <https://www.naics.com/search/> -

Billiard Centers  
Pool Halls  
Carnivals  
Circuses  
Gyms  
Fitness Centers  
Excursion  
Sightseeing Vessels  
Country Clubs  
Arcades  
Private Hunting Reserves  
Bowling Alleys  
Adult Video Arcades  
Tethered Hot Air Balloon Rides  
Nightclub  
Resorts  
Racetracks  
Shooting Ranges  
Indoor Sports Facilities  
Outdoor Sports Facilities  
Scenic Railways  
Summer Camps  
Amusement Parks  
RV Parks Offering Amusement Activities  
Private Lakes  
Taverns

ASSUMPTION (continued)

Carriage Rides  
Theaters  
Private Dog Parks  
Dance Performances  
Theater Performances  
Orchestra  
Concerts  
Theme Parks  
Amusement Parks  
Water Parks  
Festivals  
Air Shows  
Museums  
Marinas  
Motion Picture Theaters  
Go-Karts  
Miniature Golf  
Zip Lines  
Individual Stand-Alone Amusement Rides  
Tourist Excursions

The Department was able to, after researching the above, compile the following corresponding NAICS Codes:

711110 – Theater Companies and Dinner Theaters  
711120 – Dance Companies  
711130 – Musical Groups and Artists  
713940 – Fitness and Recreational Sports Centers  
713990 – All Other Amusement and Recreation Industries  
512131 – Motion Picture Theaters  
512132 – Drive-In Motion Picture Theaters  
487210 – Scenic and Sightseeing Transportation, Water  
611620 – Sports and Recreation Instruction  
611699 – All other Miscellaneous Instruction  
711219 – Other Spectator Sports  
712110 – Museums  
711212 – Racetracks  
713120 – Amusement Arcades

ASSUMPTION (continued)

487110 – Scenic and Sightseeing Transportation, Land  
487990 – Scenic and Sightseeing Transportation, Other  
713110 – Amusement and Theme Parks  
711190 – Other Performing Arts Companies  
713930 – Marinas  
713910 – Golf Courses and Country Clubs  
722410 – Drinking Places (Alcoholic Beverages)  
721211 – RV Parks and Campgrounds  
721214 – Recreational and Vacation Camps (except Campground)  
114210 – Hunting and Trapping  
713950 – Bowling Centers  
721120 – Casino Hotels  
712190 – Nature Parks and Other Similar Institutions  
712130 – Zoos and Botanical Gardens  
713920 – Skiing Facilities  
721191 – Bed and Breakfast Inns

The Department is unable to determine the ticket sales/admissions into all establishments listed above. The Department reviewed or researched information in relation to amusement parks and theme parks as well as bars, clubs, dance clubs to determine a percent of ticket sales/admissions versus total sales.

Per the Six Flags Statement of operations, approximately 55 percent of its total revenues were generated by ticket sales/admissions.

Per Departmental information, approximately 20 percent of ticket sales/admissions makes up the total revenue of bars and night clubs and cabarets.

The Department pulled Taxable Sales by NAICS Code for the previous Calendar Year 2017. The total year end taxable sales were multiplied by 20 percent, except for amusement parks, which were multiplied by 50 percent (any entrance into such establishment would require an admission fee or ticket sale). These amounts (the amount estimated as ticket sales or admissions) were subtracted from the total year end taxable sales. This amount represents taxable sales that would no longer be deemed taxable. These amounts were then multiplied by 4.225 percent. The amounts produced would be the amount of tax the State of Missouri would no longer collect.

ASSUMPTION (continued)

The Department estimates that Total State Revenue would decrease by an amount up to \$116,639,011 which is subject to decrease or increase based on total admissions or ticket sales against total sale for all entities that may fall under this proposed legislation.

General Revenue	School District Trust Fund	Conservation Commission	Parks, Soil & Water	Total
(\$82,813,698)	(\$27,993,363)	(\$3,499,170)	(\$2,332,780)	Up to (\$116,639,011)

The Department further believes that local governments and jurisdictions would only collect tax on the ticket sales into or admissions into specific entities, and not the products within.

The Department completed the same equation above, but instead of using the state 4.225 percent, the Department applied the population weighted average local sales tax rate of 3.86 percent.

The Department estimates that local jurisdiction's revenues would decrease by an amount up to \$106,562,505.

Assuming this legislation is enacted in August 2019, the Department estimates that FY 20 revenues will only decrease by 10/12 percent (5/6 percent). The Department is unaware whether the food sales tax would apply to food sold "in" entities that are impacted by this legislation.

Officials at the **Department of Conservation** assume an unknown negative fiscal impact, but greater than \$100,000. The Conservation Sales Tax funds are derived from one-eighth of one percent sales and use tax pursuant to Article IV Section 43(a) of the Missouri Constitution. Modifying the provisions relating to sales tax on admission and fees to places of amusement and entertainment will decrease sales tax collected and thus would decrease revenue to the Conservation Sales Tax funds. The Department assumes the Department of Revenue would be better able to estimate the anticipated fiscal impact that would result from this proposal

Officials at the **Department of Natural Resources** assume there is no fiscal impact from this proposal.

**Oversight** currently does not have the data or resources available to produce independent revenue projections, therefore Oversight uses the same assumptions for revenue growth as the FY 2020 Consensus Revenue Estimate (CRE) for revenue growth in all future years. The CRE assumes an increase in net general revenue collections of \$192.6 million for FY 2020.

ASSUMPTION (continued)

**Oversight** notes pursuant to §143.011 - §143.022 (SBs 509 & 496 2014) if the previous fiscal year's net general revenue collections exceed the highest net general revenue collections of the three previous fiscal years by at least \$150 million, then there will be a reduction in the individual income tax rate by one-tenth of a percent and a reduction for individual income tax filers of 5% of "business income." These reductions will reduce net General Revenue collections by an estimated \$160.0 million annually. Oversight notes the proposed legislation may impact future net revenue collections and could impact future triggering of the rate reductions required under §143.011 - §143.022.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>GENERAL REVENUE</b>			
<u>Revenue Reduction</u> - DOR §144.018 sales tax exemption for admission tickets	(\$43,300,000 to <u>\$67,500,000</u> )	(\$52,000,000 to <u>\$81,000,000</u> )	(\$52,000,000 to <u>\$81,000,000</u> )
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>(\$43,300,000 to <u>\$67,500,000</u>)</b>	<b>(\$52,000,000 to <u>\$81,000,000</u>)</b>	<b>(\$52,000,000 to <u>\$81,000,000</u>)</b>
<b>SCHOOL DISTRICT TRUST FUND</b>			
<u>Revenue Reduction</u> - DOR §144.018 sales tax exemption for admission tickets	(\$14,400,000 to <u>\$22,500,000</u> )	(\$17,300,000 to <u>\$27,000,000</u> )	(\$17,300,000 to <u>\$27,000,000</u> )
<b>ESTIMATED NET EFFECT ON THE SCHOOL DISTRICT TRUST FUND</b>	<b>(\$14,400,000 to <u>\$22,500,000</u>)</b>	<b>(\$17,300,000 to <u>\$27,000,000</u>)</b>	<b>(\$17,300,000 to <u>\$27,000,000</u>)</b>



<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>CONSERVATION COMMISSION FUNDS</b>			
<u>Revenue Reduction</u> - DOR §144.018 sales tax exemption for admission tickets	(\$1,800,000 to <u>\$2,800,000</u> )	(\$2,200,000 to <u>\$3,400,000</u> )	(\$2,200,000 to <u>\$3,400,000</u> )
<b>ESTIMATED NET EFFECT ON CONSERVATION COMMISSION FUNDS</b>	<b>(\$1,800,000 to <u>\$2,800,000</u>)</b>	<b>(\$2,200,000 to <u>\$3,400,000</u>)</b>	<b>(\$2,200,000 to <u>\$3,400,000</u>)</b>
<b>PARKS, SOIL &amp; WATER FUNDS</b>			
<u>Revenue Reduction</u> - DOR §144.018 sales tax exemption for admission tickets	(\$1,400,000 to <u>\$2,300,000</u> )	(\$1,700,000 to <u>\$2,700,000</u> )	(\$1,700,000 to <u>\$2,700,000</u> )
<b>ESTIMATED NET EFFECT ON PARKS, SOIL &amp; WATER FUNDS</b>	<b>(\$1,400,000 to <u>\$2,300,000</u>)</b>	<b>(\$1,700,000 to <u>\$2,700,000</u>)</b>	<b>(\$1,700,000 to <u>\$2,700,000</u>)</b>
<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>LOCAL POLITICAL SUBDIVISION FUNDS</b>			
<u>Revenue Reduction</u> - DOR §144.018 sales tax exemption for admission tickets	(\$55,800,000 to <u>\$86,800,000</u> )	(\$66,900,000 to <u>\$104,200,000</u> )	(\$66,900,000 to <u>\$104,200,000</u> )
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISION FUNDS</b>	<b>(\$55,800,000 to <u>\$86,800,000</u>)</b>	<b>(\$66,900,000 to <u>\$104,200,000</u>)</b>	<b>(\$66,900,000 to <u>\$104,200,000</u>)</b>

FISCAL IMPACT - Small Business

Small businesses will not be impacted by this proposal.

FISCAL DESCRIPTION

Current law provides for a sales tax on the sale of admission tickets, cash admissions, charges, and fees to or in places of amusement, entertainment and recreation, games and athletic events. This modifies such provision to apply to the sale of admission tickets and charges and fees for admission to spectate certain events, performances, and tourist excursions, as described in the act.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Conservation  
Department of Natural Resources  
Department of Revenue  
Office of Administration Division of Budget and Planning



Kyle Rieman  
Director  
March 25, 2019

Ross Strope  
Assistant Director  
March 25, 2019