

1 ENGROSSED SENATE
BILL NO. 746

By: Coleman of the Senate

2
3 and

4 Hilbert of the House

5
6 An Act relating to state sales tax incentives;
7 amending 68 O.S. 2021, Section 4303, which relates to
8 the Oklahoma Quality Events Incentive Act; modifying
9 definition of quality event; and providing an
effective date.

10 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

11 SECTION 1. AMENDATORY 68 O.S. 2021, Section 4303, is
12 amended to read as follows:

13 Section 4303. As used in the Oklahoma Quality Events Incentive
14 Act:

15 1. "Certified sponsor" means an entity or organization
16 authorized to promote and conduct a quality event, which is
17 incurring expenses for the promotion of such event to be conducted
18 within the corporate limits of an eligible municipality or an
19 unincorporated area within a county;

20 2. "Economic impact study" means a study which includes:

21 a. a description and, if applicable, history of the
22 quality event,

23 b. information regarding the site selection process for
24 the quality event,

- c. an estimate of the expenses anticipated to be incurred in connection with hosting the quality event,
- d. an estimate of the total gross sales made by vendors during any period of time during which no quality event activity occurs,
- e. a detailed estimate of the anticipated increase in sales tax revenue directly attributable to the quality event, and
- f. the general economic impact likely to occur as a result of the preparation for, occurrence of and activity occurring in connection with the dissolution of, a quality event;

3. "Eligible local support amounts" means:

- a. any payment made by a local government entity or transfer of monies from the general fund or transfer of tax revenues derived from a locally imposed tax to a certified sponsor for the purpose of attracting, promoting, advertising, organizing, conducting, or otherwise supporting a quality event, or
- b. any direct payment made by a certified sponsor to a for-profit or nonprofit entity, other than the host community, for the purpose of attracting, promoting, advertising, organizing, conducting, or otherwise supporting a quality event;

1 4. "Event history" means:

- 2 a. historical information on the event including past
3 locations of the event,
4 b. a description of previous attempts by the host
5 community to secure the event,
6 c. information regarding attempts by other communities to
7 recruit the event, and
8 d. if applicable, the competitive bidding process for
9 securing the event by the host community;

10 5. "Host community" means any county, incorporated city or
11 town, or any combination of counties, incorporated cities or towns
12 of the state which are authorized by their respective governing
13 bodies to host or assist in the presentation of a quality event;

14 6. "Incremental sales tax revenue" means the amount of
15 additional state sales tax revenue collected as a result of the
16 quality event, as determined by an economic impact study verified by
17 the Oklahoma Tax Commission;

18 7. "New event" means a quality event which did not occur within
19 a period of twenty-four (24) months prior to the month during which
20 a quality event is held;

21 8. "Quality event" means:

- 22 a. a new event or a meeting of a nationally recognized
23 organization or its members,
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- 1 b. a new or existing event that is a national,
2 international or world championship, ~~or~~
- 3 c. a new or existing event that is managed or produced by
4 an Oklahoma-based national or international
5 organization,
- 6 d. for counties with a population of less than one
7 hundred thousand (100,000) persons, or a city with
8 less than ten thousand (10,000) people in a county
9 with more than one hundred thousand (100,000) persons
10 according to the latest Federal Decennial Census, no
11 more than one new or existing event designated by the
12 county or city per calendar year. Provided, at least
13 twenty-five percent (25%) of attendees of the
14 designated event shall be comprised of residents from
15 outside this state, or
- 16 e. for a combination of at least two (2) counties, towns,
17 cities, or municipalities along the route of or
18 containing within its boundaries, a National Scenic
19 Byway or State Scenic Byway, designated pursuant to
20 the National Scenic Byways Program, pursuant to 23
21 U.S.C., Section 162, one driving related event per
22 calendar year;
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1 9. "Recurring event" means a quality event which occurred at
2 least once within the twenty-four (24) months prior to the month
3 during which a quality event is held;

4 10. "State sales tax revenue" means the proceeds from the state
5 sales tax levy imposed pursuant to Section 1354 of this title upon
6 taxable transactions occurring as a result of the quality event, as
7 determined by an economic impact study verified by the Oklahoma Tax
8 Commission; and

9 11. "Vendors" means those persons or business entities making
10 taxable sales of tangible personal property or services as a result
11 of the quality event, as determined by an economic impact study
12 verified by the Oklahoma Tax Commission and, unless the context
13 otherwise requires, shall have the same meaning as defined by
14 Section 1352 of this title.

15 SECTION 2. This act shall become effective November 1, 2023.

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1 Passed the Senate the 20th day of March, 2023.

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3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2023.

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8 _____
9 Presiding Officer of the House
10 of Representatives