

HOUSE BILL No. 1554

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-9-46.

Synopsis: Performing arts center admissions tax. Authorizes counties that: (1) have a population of less than 15,500; and (2) own an indoor performing arts center with a seating capacity of at least 2,000 patrons; to impose a \$1 admissions tax upon admissions to the indoor performing arts center. Specifies how the revenue may be used. Permits the county to enter into an operating lease with the convention and visitors commission and a contract with a nonprofit organization to operate the indoor performing arts center.

Effective: Upon passage.

May

January 17, 2019, read first time and referred to Committee on Ways and Means.



First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1554



A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-9-46 IS ADDED TO THE INDIANA CODE AS
 2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON
 3 PASSAGE]:
 4 **Chapter 46. Performing Arts Center Admissions Tax**
 5 **Sec. 1. This chapter applies only in a county:**
 6 (1) **having a population of less than fifteen thousand five**
 7 **hundred (15,500); and**
 8 (2) **that owns an indoor performing arts center.**
 9 **Sec. 2. As used in this chapter, "indoor performing arts center"**
 10 **means an indoor facility providing space for entertainment events**
 11 **that:**
 12 (1) **has a minimum capacity of at least two thousand (2,000)**
 13 **patrons; and**
 14 (2) **is located in a geographic area that has not been annexed**
 15 **by a city before the adoption of the ordinance under section**
 16 **3 of this chapter.**
 17 **Sec. 3. (a) After January 1 but before June 1 of a year, the**



1 county fiscal body may adopt an ordinance to impose an excise tax,
 2 known as the performing arts center admissions tax, for the
 3 privilege of attending any event:

4 (1) held in an indoor performing arts center; and

5 (2) to which tickets are offered for sale to the public by:

6 (A) the box office of the indoor performing arts center; or

7 (B) an authorized agent of the indoor performing arts
 8 center.

9 (b) The excise tax imposed under subsection (a) does not apply
 10 to the following:

11 (1) An event sponsored by an educational institution or an
 12 association representing an educational institution.

13 (2) An event sponsored by a religious organization.

14 (3) An event sponsored by an organization that is considered
 15 a charitable organization by the Internal Revenue Service for
 16 federal tax purposes.

17 (4) An event sponsored by a political organization.

18 (c) If the fiscal body adopts an ordinance under subsection (a),
 19 the excise tax applies to an event ticket purchased after:

20 (1) June 30 of the calendar year in which the ordinance is
 21 adopted; or

22 (2) a later date that is set forth in the ordinance.

23 (d) If a county fiscal body adopts an ordinance under subsection
 24 (a), it shall immediately send a certified copy of the ordinance to
 25 the commissioner of the department of state revenue.

26 **Sec. 4.** The performing arts center admissions tax equals one
 27 dollar (\$1) for each admission described in section 3 of this
 28 chapter.

29 **Sec. 5. (a)** Each person who pays a price for admission described
 30 in section 3 of this chapter is liable for the performing arts center
 31 admissions tax imposed under this chapter.

32 (b) The person who collects the price for admission shall collect
 33 the performing arts center admissions tax imposed under this
 34 chapter at the same time the price for admission is paid. The
 35 person shall collect the tax as an agent of the county that owns the
 36 indoor performing arts center.

37 **Sec. 6. (a)** A person who collects a performing arts center
 38 admissions tax under section 5 of this chapter shall remit the
 39 revenue collected monthly to the department of state revenue. The
 40 tax collected from persons paying for admission to a particular
 41 event shall be remitted not more than fifteen (15) days after the
 42 end of the month during which the event occurred.



1 (b) At the time the tax revenues are remitted, the person shall
 2 report the amount of performing arts center admissions tax
 3 collected on forms prescribed by the department of state revenue.

4 Sec. 7. The amounts received from the performing arts center
 5 admissions tax shall be paid monthly by the treasurer of state to
 6 the county treasurer upon warrants issued by the auditor of state.

7 Sec. 8. (a) If a performing arts center admissions tax is imposed
 8 under this chapter, the county legislative body shall establish a
 9 county performing arts center admissions tax fund.

10 (b) The county treasurer shall deposit money received under
 11 section 7 of this chapter in the county performing arts center
 12 admissions tax fund.

13 (c) Money earned from the investment of money in the fund
 14 becomes a part of the fund.

15 (d) Money in the fund may be used by the county only with
 16 regard to the indoor performing arts center and only for the
 17 following:

18 (1) Retiring debt related to the indoor performing arts center.

19 (2) Paying lease rentals related to the indoor performing arts
 20 center.

21 (3) Paying for costs to improve or construct infrastructure
 22 serving the indoor performing arts center.

23 (4) Paying for costs related to capital repairs and maintenance
 24 of the indoor performing arts center.

25 Sec. 9. The county may enter into an operating lease with the
 26 convention and visitors commission created by IC 6-9-14-2 and a
 27 contract with a nonprofit organization to operate the indoor
 28 performing arts center.

29 Sec. 10. With respect to:

30 (1) bonds, leases, or other obligations to which the county has
 31 pledged revenues under this chapter; and

32 (2) bonds issued by a lessor that are payable from lease
 33 rentals;

34 the general assembly covenants with the county and the purchasers
 35 or owners of the bonds or other obligations described in this
 36 section that this chapter will not be repealed or amended in any
 37 manner that will adversely affect the collection of the tax imposed
 38 under this chapter or the money deposited in the county
 39 performing arts center admissions tax fund, as long as the
 40 principal of or interest on any bonds, or the lease rentals due under
 41 any lease, are unpaid.

42 SECTION 2. An emergency is declared for this act.

