

S.F. No. 1873 – Modifying sales tax exemption for suite licenses and privilege of admission; modifying reporting of gross receipts

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Section 1. Retail sale. Provides that the sale of a suite license or right to purchase season tickets to collegiate events is not a bundled transaction if the seller has maintained books and records identifying the portion of the price that is attributable to separately identifiable products. Effective retroactively for sales and purchases made after June 30, 2022.

Section 2. Suite licenses. Strikes language from the sales tax exemption for suite licenses that requires the sales price of admission to be separately stated. Effective retroactively for sales and purchases made after June 30, 2022.

Section 3. Season ticket purchasing rights to collegiate events. Strikes language from the sales tax exemption for season ticket purchasing rights to collegiate events that requires the sales price of admission to be separately stated. Effective retroactively for sales and purchases made after June 30, 2022.

Section 4. Amenities included with the privilege of admission. Creates a sales tax exemption for the sale of amenities when sold by the seller of the privilege of admission, including but not limited to food and beverages, parking services, and promotional items that are included in the sales price of the privilege of admission. The exempt portion of the sale of the privilege of admission is equal to the purchase price of the amenity if sales or use tax was paid on the amenity when purchased by the seller. Requires the seller to retain records the sales price and tax paid by the seller when purchasing the amenities and the price and tax collected when the seller sells the privilege of admission. Effective retroactively for sales and purchases made after June 30, 2022.

Section 5. Reporting of gross receipts. Requires that for taxpayers reporting on the accrual basis, for the sale of the privilege of admission to places of amusement and athletic events, the sale is made and accrual occurs at the time the event occurs (rather than when the financial transaction of purchasing the privilege of admission occurs). Effective retroactively for sales and purchases made after June 30, 2022.