

# REVENUE IMPACT OF PROPOSED LEGISLATION

74th Oregon Legislative Assembly  
2007 Regular Session  
Legislative Revenue Office

<b>Bill Number:</b>	<b>HB 2196 A</b>
<b>Revenue Area:</b>	Boxing Tax
<b>Economist:</b>	Mazen Malik
<b>Date:</b>	04/15/07

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## Measure Description:

Modifies amount of tax imposed on the gross ticket sales of professional boxing and wrestling events. Sets the tax range, and allows the Boxing and Wrestling Commission to set the tax rate by rule within the range. Changes the tax into a fee without 3/5 vote requirement.

## Revenue Impact:

The Revenue will change in nature because the tax will be collected as a fee for the regulation of the events that are charged. The revenue from the fee is expected to be on the level of \$200,000 to \$300,000 a biennium.

## Impact Explanation:

The Boxing and Wrestling Commission regulates the professional boxing and wrestling events, as well as entertainment wrestling. The state police receive these payments and uses as a revenue source to cover policing and security costs included in these and other events. The amounts of revenue that the 6% tax on gross ticket sales generates vary from one year to the next based on the number of events. In the three fiscal years preceding FY 2006, the tax averaged about \$830,000. However, it was as low as \$5,000 in fiscal year 2002 and as high \$123,794 in last fiscal year.

This bill changes the rate from a fixed 6% to a range that goes from 1 to 10% of the gross ticket sales. The amounts of tax charged will be set by administrative rules, which are yet to be developed. The tax will be changed into a fee which is likely to be set also by administrative rules.

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