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**HOUSE BILL NO. 694**

Offered January 11, 2006

Prefiled January 10, 2006

A *BILL to amend and reenact § 15.2-5800 of the Code of Virginia, relating to Virginia Baseball Stadium Authority.*

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 Patron—Suit
 

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Referred to Committee on Counties, Cities and Towns

**Be it enacted by the General Assembly of Virginia:****1. That § 15.2-5800 of the Code of Virginia is amended and reenacted as follows:****CHAPTER 58.****VIRGINIA SPORTS FACILITY AUTHORITY.**

§ 15.2-5800. (Effective until January 1, 2008) Definitions; professional sports; consent for construction.

As used in this chapter the following words have the meanings indicated:

"Authority" means the Virginia ~~Baseball Stadium~~ *Sports Facility* Authority.

"Corporate income tax revenues" means corporate income tax as estimated by the Tax Commissioner under Article 10 (§ 58.1-400 et seq.) of Chapter 3 of Title 58.1 from any team or other organization based on income generated within a facility, including revenues generated in connection with the development and construction of a facility. The Tax Commissioner shall calculate such revenues by multiplying the estimated tax payment of any corporation as required under Article 20 (§ 58.1-500 et seq.) of Chapter 3 of Title 58.1 generating income as described herein by the ratio of their gross revenues from the activities as described herein to gross revenues from all activities in Virginia.

"Facility" means (i) major league baseball stadiums *and other professional sports facilities*, (ii) office, restaurant, concessions, retail, lodging, and other facilities which are owned and operated in connection with a major league baseball stadium *or other professional sports facilities* and are located within the stadium, and (iii) any onsite parking lots and garages.

"Major league baseball" means the organization which controls the administrative functions for the ownership and operation of major league baseball operations in the United States and Canada.

"Major league baseball franchise" means the contractual right granted by major league baseball to any person or persons to own or operate a major league baseball team in a specified location.

"Major league baseball stadium" means a sports facility which is designed for use primarily as a baseball stadium and which meets criteria that may be established by major league baseball.

"Pass-through entity tax revenues" means personal or corporate income tax as estimated by the Tax Commissioner from any individual or corporation under Article 2 (§ 58.1-320 et seq.) or Article 10 (§ 58.1-400 et seq.) of Chapter 3 of Title 58.1 based on gross receipts from a sole proprietorship, partnership, electing small business corporation (S corporation), limited liability corporation, and any other form of pass-through entity generated within a facility. The Tax Commissioner shall calculate the estimated revenue by multiplying the gross receipts from activities described herein by two tenths of one percent.

"Personal income tax revenues" means personal income tax as estimated by the Tax Commissioner from individuals under Article 2 (§ 58.1-320 et seq.) of Chapter 3 of Title 58.1 based on salaries, wages, and other income generated through employment or the conduct of a trade or business within a facility, including without limitation, such taxes collected from team players, coaches, and office personnel; personnel employed by the operator of, or enterprises operating within, a facility; and personnel involved in the development and construction of a facility. The Tax Commissioner shall calculate such revenues by multiplying wages and salaries described herein by three and nine-tenths percent with respect to wages and salaries paid to team players of a major league baseball franchise *or other professional sports franchise* based at the facility and by three and one-half percent for all other individuals described herein.

"Sales tax revenues" means tax collections under the Virginia Retail Sales and Use Tax Act (§ 58.1-600 et seq.), as limited herein, generated by transactions taking place upon the premises of a facility, including transactions generating revenues in connection with the development and construction of a facility. Except to the extent directed by a local governing body pursuant to § 15.2-5814, sales tax revenues shall not include any local general retail sales and use tax levied pursuant to §§ 58.1-605 and 58.1-606.

INTRODUCED

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