

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6194

BILL NUMBER: SB 90

NOTE PREPARED: Feb 11, 2013

BILL AMENDED: Jan 17, 2013

SUBJECT: Marion County Auto Rental and Admissions Taxes.

FIRST AUTHOR: Sen. Young, R Michael

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides that any increase after January 1, 2013, and before March 1, 2013, in the Marion County Supplemental Auto Rental Excise Tax rate or the Marion County Admissions Tax rate may not continue in effect after February 28, 2023.

Effective Date: July 1, 2013.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: *Summary* - Under current statute, the city-county council may increase the Marion County Supplemental Auto Rental Excise Tax rate from 4% to a maximum of 6% between January 1, 2013, and March 1, 2013. The city-county council may also increase the Marion County Admissions Tax rate from 6% to a maximum of 10% during this same period. The bill requires that both tax rate increases expire after February 28, 2023.

Background Information - The table below shows historical revenue collections for the Marion County Supplemental Auto Rental Excise Tax and the Marion County Admissions Tax.

Fiscal Year	Supplemental Auto Rental Excise Tax Revenue	Admissions Tax Revenue
2008	\$4,599,944	\$6,491,857
2009	3,929,675	7,016,979
2010	3,831,142	7,702,623
2011	4,136,302	7,143,983
2012	4,127,053	6,606,855

The Marion County Supplemental Auto Rental Excise Tax rate is 4% of the gross retail income received from auto rentals in Marion County. Revenue from this tax is held in the County Supplemental Auto Rental Excise Account within the state General Fund, and distributed to the Capital Improvement Board (CIB).

The Marion County Admissions Tax rate is 6% of the price of admission to events held in the convention center, Lucas Oil Stadium, Victory Field, or Bankers Life Fieldhouse. Revenue received from this tax is paid to the CIB.

Revenue from both authorized tax rate increases must be deposited in the Sports and Convention Facilities Operating Fund. The revenue may be used only for paying usual and customary operating expenses with respect to the capital improvements that are owned, leased, or operated by the CIB. The revenue may not be used for the payment of any current or future obligations owed by the CIB to the Indiana Stadium and Convention Building Authority or for the construction or equipping of a capital improvement that is used for a professional sporting event or convention.

State Agencies Affected: Department of State Revenue.

Local Agencies Affected: Marion County City-County Council; Marion County Capital Improvement Board.

Information Sources: *Indiana Handbook of Taxes, Revenues, and Appropriations*, FY 2012.

Fiscal Analyst: Lauren Sewell, 317-232-9586.