
Finance Committee

HB 2460

Brief Description: Concerning the leasehold excise tax exemption for certain amphitheater property.

Sponsors: Representative Fromhold.

Brief Summary of Bill

- Changes county population requirement for the Clark County amphitheater for leasehold tax exemption

Hearing Date: 1/22/08

Staff: Don Taylor (786-7388).

Background:

The leasehold excise tax applies to publicly-owned property which is leased to private entities. The purpose of the tax is to recognize that public property is not subject to property taxes; without the in lieu excise tax such lessees would enjoy a tax advantage over competitors located on real property which they own. The combined state and local government leasehold excise tax rate is 12.84 percent of the contract rental payment (or fair market value of the lease).

In 2005 the Legislature enacted a leasehold excise tax exemption, targeted toward an amphitheater facility located in Clark County. The facility must be located in a county with a population of at least 350,000 but no greater than 425,000.

This facility opened in the city of Ridgefield in July of 2003.

The current population of Clark County is 415,000 as of April 1, 2007. The population of the county will likely exceed the 425,000 limitation by 2008 or 2009.

Summary of Bill:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The population parameters in the statute remain unchanged. However, the law is amended to specify that the county population had to be within the indicated range at the time the facility first opened to the public.

The facility opened to the public in July of 2003, at which time the population of Clark County was 372,300.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.