

## BASEBALL/SOFTBALL COMPLEX REBATE

### Prior Law

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A baseball and softball tournament facility and movie site was eligible to apply for a rebate of sales tax imposed by retailers on sales and services, as long as certain requirements were met, including construction on the facility and site had to begin before July 1, 2013 and the facility and movie site had to be a for-profit legal entity where more than 51% of its equity interests were owned by Iowa residents, an Iowa corporation, or a combination of both. A change of control, as defined under Iowa Code section 423.4(10), would stop the rebate. The rebate was capped at \$16.5 million for the entire rebate period.

### New Provisions

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2016 Iowa Acts House File 2312 expands the sales tax rebate for a baseball and softball complex as follows:

- An owner or operator of the complex must apply for financial assistance for a project under Iowa Code section 15F.202, community attraction and tourism program.
- The owner or operation is redefined to mean a legal entity in which more than 51% of its equity or voting interest is owned or controlled by Iowa residents, an Iowa corporation or a combination.
- An Iowa corporation is redefined to mean a corporation in which more than 51% of its equity or voting interests are owned or controlled by residents of Iowa.
- Upon completion, there will be a baseball and softball complex.
- The project must be completed after July 1, 2016
- The project must cost at least \$10 million.

The sales tax rebate is limited to \$2.5 million for one baseball and softball complex, capped at \$5 million in sales tax rebates total, and the rebate must be claimed no later than ten years after the project completion date.

### Sections Amended

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Section 1 of 2016 Iowa Acts Senate File 2312 creates new section 15F.207, Code 2016. Sections 2 and 3 of Senate File 2312 amend Section 423.2, Code 2016. Section 4 of Senate File 2312 amends 423.4, Code 2016.

### Effective Date

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July 1, 2016

### SF 2312