

# How the Non-resident Athletes and Entertainers Tax Works for Missouri

## How it Started

The Missouri General Assembly passed Senate Bill 477 in 1994, creating an earmarked revenue stream of state income taxes collected from nonresident members of professional athletic teams and nonresident entertainers for the Missouri Arts Council (MAC). In 1998, the Missouri General Assembly passed Senate Bill 724 revising Missouri Statute 143.183 to increase the distribution to MAC and added four additional cultural partners. Reports from the Department of Revenue indicate collection of \$40 million for FY16, which would result in the following appropriations.

## How it is Distributed

**Missouri Arts Council** (60%) \$24 million. They fund and supports the arts that strengthen the cultural, educational, and economic vitality of Missouri.

**Missouri Humanities Council** (10%) \$4 million. They support our humanities with exhibits, programs, heritage tourism, and funding.

**Missouri Public Broadcasting** (10%) \$4 million. They support public television and radio stations providing programming of public interest to nearly every household in Missouri.

**Missouri State Library** (10%) \$4 million. They promote the development and improvement of library services throughout the state. The funds are distributed to public libraries for purchase of books, eBooks, dvds and other materials for use by their communities.

**Missouri Historic Preservation Office** (10%) \$4 million. They preserve and protect historical and cultural facilities that are important to the citizens of Missouri.

## Revenue Comparison

Since 2004, the Missouri Arts Council has been zero funded by the General Assembly three times (2004, 2011, 2012). The Council spent down the Missouri Cultural Trust (\$31 million at its peak) as requested by the General Assembly. Now the Trust balance is essentially spent, with less than 1% remaining. It is essential that the core budget increase from \$4.8 million to maintain level funding. In that same period, the revenues from the nonresident athletes and entertainers tax more than doubled from \$20 million to \$41 million.

## What we leverage for Missourians

- Increased Quality of Life
- Private dollars to match public dollars invested in cultural organizations and activities
- Strengthening education and teaching creativity and problem solving skills for the workforce
- Safeguarding our unique Missouri heritage and culture
- Attracting businesses, high quality workforce, and creative industries
- Increased tax revenues and jobs.

## What We Need

The Missouri Cultural Partnership's boards, staff, supporters, and patrons request that you honor the intent of Missouri Statute 143.183 RSMo and take action to ensure the legislatively mandated appropriation of the nonresident athletes and entertainers income tax.