

114TH CONGRESS
2D SESSION

H. R. 4838

To amend the Internal Revenue Code of 1986 to disallow the issuance of tax-exempt bonds any proceeds of which are used to provide professional entertainment facilities.

IN THE HOUSE OF REPRESENTATIVES

MARCH 22, 2016

Mr. RUSSELL introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to disallow the issuance of tax-exempt bonds any proceeds of which are used to provide professional entertainment facilities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “No Tax Subsidies for
5 Stadiums Act”.

1 **SEC. 2. TAX EXEMPT FINANCING OF PROFESSIONAL EN-**
 2 **TERAINMENT FACILITIES DISALLOWED.**

3 (a) IN GENERAL.—Section 149 of the Internal Rev-
 4 enue Code of 1986 is amended by adding at the end the
 5 following new subsection:

6 “(h) NO PORTION OF BONDS MAY BE USED FOR
 7 PROFESSIONAL ENTERTAINMENT FACILITIES.—

8 “(1) IN GENERAL.—Section 103(a) shall not
 9 apply to any bond issued as part of an issue any
 10 proceeds of which are to be used to provide a profes-
 11 sional entertainment facility.

12 “(2) PROFESSIONAL ENTERTAINMENT FACIL-
 13 ITY.—For purposes of this subsection, the term ‘pro-
 14 fessional entertainment facility’ means any facility
 15 (and appurtenant real property) which, during at
 16 least 5 days during any calendar year, is used—

17 “(A) as a stadium or arena for profes-
 18 sional sports exhibitions, games, or training, or

19 “(B) as a venue for any entertainment
 20 event—

21 “(i) the live audience for which ex-
 22 ceeds 100 individuals, and

23 “(ii) any net earnings from which
 24 inure to the benefit of an individual or any
 25 entity other than—

1 “(I) the United States, any State
2 or political subdivision thereof, any
3 possession of the United States, or
4 any agency or instrumentality of any
5 of the foregoing, or

6 “(II) an organization which is de-
7 scribed in paragraph (3), (4), (5), (6),
8 (7), (10), (19), or (23) of section
9 501(c) and exempt from tax under
10 section 501(a) or is a political organi-
11 zation (as defined in section
12 527(e)(1)).”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to obligations issued after the date
15 of the enactment of this Act.

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