

2019 -- S 0979

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

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A N A C T

RELATING TO TOWNS AND CITIES -- NEWPORT ADMISSION FEE SURCHARGE

Introduced By: Senators DiPalma, and Euer

Date Introduced: June 13, 2019

Referred To: Senate Finance

(by request)

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 45 of the General Laws entitled "TOWNS AND CITIES" is hereby
2 amended by adding thereto the following chapter:

3 CHAPTER 69

4 NEWPORT ADMISSION FEE SURCHARGE

5 **45-69-1. Legislative findings and purpose.**

6 The general assembly hereby finds and declares that:

7 (1) The city council of the city of Newport has an obligation to pursue additional revenue
8 resources to ameliorate the burden of the cost of government on its residents and taxpayers.

9 (2) There are significant stressors in the provision of government services to the public as
10 well as issues with the continual improvement, rehabilitation, reconstruction and construction of
11 infrastructure improvements to include public school infrastructure issues.

12 **45-69-2. Definitions.**

13 For the purposes of this chapter:

14 (1) "Admission fee" means and includes the purchase price for any ticket, entry fee or
15 other form of payment, including free or complimentary admissions, when made in connection
16 with a valuable contribution to any organization or establishment holding or sponsoring any
17 activity set forth in this chapter, which free or complimentary admission shall be deemed to have
18 a value equivalent to the charge that would have otherwise been made for the admission.

19 (2) "Person" means any individual, firm, partnerships, associations, corporation, or any

1 other legal entity, and includes municipalities and political subdivisions of the state.

2 **45-69-3. Admission fee surcharge authorization.**

3 The city of Newport is authorized to impose an admission surcharge in an amount not to
4 exceed three percent (3%) of any admission fee, on all organizations and venues within the city
5 that sold more than twenty thousand (20,000) tickets during the previous calendar year.

6 **45-69-4. Application.**

7 Commencing on January 1, 2020, the surcharge shall be applied to all organizations or
8 venues defined in § 45-69-3, including places of amusement, sports, entertainment, exhibition,
9 display or other recreational events or similar activities.

10 **45-69-5. Withholding of admission fee surcharge.**

11 (a) Each person receiving any admission fee set forth in this chapter shall be liable for the
12 surcharges imposed by this chapter, and shall, on or before the twentieth day of each month,
13 make a return in duplicate to the finance director, in such form as the finance director may
14 prescribe, showing the number of admission fees collected during the preceding calendar month,
15 the amount of the surcharge imposed on the same, and any other information as the finance
16 director may require.

17 (b) Each person making the return shall, at the time of making the same, pay the
18 surcharges collected to the finance director. The payments shall be deposited into the city
19 treasury. The finance director may adopt any and all uniform rules and regulations consistent with
20 the provisions of subsection (a) of this section.

21 (c) If the surcharge imposed by this chapter is not paid when due, there shall be added to
22 the amount due, interest at the rate of one percent (1%) a month, from the date when the
23 surcharges became due until they are paid.

24 **45-69-6. Unpaid surcharges.**

25 (a) All unpaid surcharges imposed by this chapter shall be a lien upon all of the real and
26 personal property of any person required to collect and pay the same. If the person shall
27 disassociate from the organization or venue, they shall be required to complete the return
28 provided for in § 45-69-5 within thirty (30) days after the date of disassociation, transfer of the
29 organization or venue, or sale of the same, and the person's successor shall be required to
30 withhold a sum sufficient from the purchase price of the organization or venue in an amount
31 equal to the amount of the surcharge which should have been collected, but not paid, together
32 with interest, if any, until such time as the former owner of the organization or venue produces a
33 receipt from the finance director indicating that the surcharges have been paid, or a certification
34 that no surcharges are due.

1 **(b) If the purchaser of the organization or venue fails to withhold the monies provided in**
2 **subsection (a) of this section, then the purchaser shall be liable for the payment of the surcharges**
3 **collected and unpaid by the seller, together with interest.**

4 **(c) The lien for unpaid surcharges imposed by this chapter shall not be released or**
5 **discharged until such time as the finance director shall certify the amount of the unpaid**
6 **surcharges and any interest owed to the city have been paid in full.**

7 **45-69-7. Records required.**

8 **Every person receiving admission fees as set forth in this chapter shall keep any books,**
9 **including records, receipts, and other pertinent papers, in any form that the finance director may**
10 **require. These records shall be open at all times for inspection of the finance director, or his or**
11 **her agents, and shall be produced upon issuance of a subpoena by the finance director at a time**
12 **and place so designated.**

13 **45-69-8. Penalties for violations.**

14 **Any person who fails or refuses to furnish any return required to be made, or fails or**
15 **refuses to furnish any other data required by the finance director, or makes any false or fraudulent**
16 **return, or violates any provision of this chapter for which no other penalty is provided, shall be**
17 **guilty of a misdemeanor, and upon conviction, shall be fined not more than one thousand dollars**
18 **(\$1,000) for each offense, or be imprisoned for a term of not more than one year, or both.**

19 **45-69-9. Rules and regulations -- Forms.**

20 **The finance director may prescribe rules and regulations, not inconsistent with law, to**
21 **effectuate the provisions of this chapter. These rules and regulations, when reasonably designed**
22 **to carry out the intent and purpose of this chapter, are prima facie evidence of its proper**
23 **interpretation. These rules and regulations may from time to time be amended, suspended, or**
24 **revoked, in whole or in part, by the finance director. The finance director may prescribe and**
25 **furnish any forms necessary and proper for the administration of this chapter.**

26 **45-69-10. Severability.**

27 **The provisions of this chapter are declared to be severable; and in case any part, section,**
28 **or provision of this chapter is held invalid by any court of competent jurisdiction, the remaining**
29 **parts, sections, and provisions of the chapter shall not be impaired or affected.**

30 SECTION 2. This act shall take effect on January 1, 2020.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO TOWNS AND CITIES -- NEWPORT ADMISSION FEE SURCHARGE

1 This act would authorize the city of Newport to impose a surcharge on the price of
2 admission to organizations or venues that sell more than twenty thousand (20,000) admission
3 tickets per year. The act imposes liens on the real and personal property of any person that fails to
4 collect the fee.

5 This act would take effect on January 1, 2020

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