

- b. If the Quality Event occurs in any other month, the incremental sales tax is computed as the excess of sales taxes over the average of every month except for the immediately preceding November and December and also the month in which the Quality Event occurs.

In order to be reimbursed, the host community must meet certain deadlines leading up to the Quality Event:

- a. No later than one (1) year prior to the Quality Event, the host community shall designate, by means of an ordinance or resolution, the:
 - b. Geographic area as a Quality Event Area;
 - c. Length of time for the state sales tax revenue capture period; and
 - d. Type of expenses eligible for distribution of captured revenues, which includes, but is not limited to, advertising, facility rental promotional materials, and security.
- e. Within ninety (90) days of the adoption of the resolution or ordinance, the host community shall submit to the Oklahoma Tax Commission, on forms prescribed by the Tax Commission, a copy of the resolution or ordinance and an economic impact study. The economic impact study submitted to the Oklahoma Tax Commission must include:
 - 1. A description and history of the Quality Event;
 - 2. A description of the site selection process for the Quality Event;
 - 3. An estimate of the anticipated expenses to be incurred in connection with hosting the Quality Event;
 - 4. An estimate of the total gross sales made by vendors within the designated geographic area during a period of time in which no Quality Event activity occurs;
 - 5. A detailed estimate of the anticipated increase in sales tax revenues directly attributable to the Quality Event;
 - 6. The general economic impact likely to occur in the designated area occurring in connection with the Quality Event; and
 - 7. Any additional information required by the Oklahoma Tax Commission.
- f. Within ninety (90) days of the receipt of the ordinance/resolution and the economic impact study from the host community, the Oklahoma Tax Commission shall approve or disapprove the economic impact study based on generally accepted standards and input and assistance from the Oklahoma Department of Commerce and the Oklahoma Department of Tourism and Recreation.

The Quality Event incentive becomes effective July 1, 2012 and will sunset on June 30, 2015. In the three years of the Quality Event Program, there is a maximum amount available for communities to recapture eligible expense for hosting the Quality Event. In fiscal year 2013, which is July 1, 2012 to June 30, 2013, there will be two million dollars (\$2,000,000) allocated to the program. In fiscal year 2014, which ends June 30, 2014, two-and-a-half million dollars will be allocated to the program. And in fiscal year 2015, three million dollars (\$3,000,000) will be allocated to the Quality Event incentive program.

Further, in order to receive state sales tax reimbursement for the Quality Event, the host community must provide the Oklahoma Tax Commission a detailed list of eligible local support paid by the host community to the certified sponsor. The Tax Commission will then verify the amounts before making any payment to the host community.