

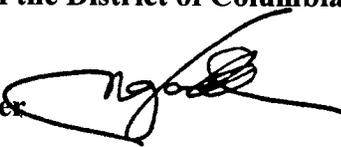
**Government of the District of Columbia  
Office of the Chief Financial Officer**



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Vincent C. Gray  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer 

**DATE:** July 30, 2009

**SUBJECT:** Fiscal Impact Statement: Amendment to Add a New Subtitle II-BB,  
"Grow the Arts and Humanities Act of 2009," to the "Fiscal Year 2010  
Budget Support Act of 2009"

**REFERENCE:** Bill Number 18-203, Amendment in the Nature of a Substitute, July  
30, 2009

---

**Conclusion**

Funds are sufficient in the FY 2009 budget and the proposed FY 2010 through FY 2013 budget and financial plan to implement the provisions of the proposed amendment.

**Background**

The proposed amendment would apply the 5.75 percent general sales tax to the gross receipts from the sale of tickets for live theater performances, such as plays, musicals, operas, and concerts. All of the revenue collected from this application of the sales tax would be deposited into the Arts and Humanities Enterprise Fund, and would be used by the Commission on the Arts and Humanities to award competitive grants of up to \$250,000 for arts and humanities programs. Recipients of grants awarded pursuant to this amendment would be required to submit a report to the Council specifying how the grant money was spent. It is estimated that imposing the sales tax on the sale of tickets for live theater performances would raise \$2.0 million in FY 2010 and \$8.3 million in the FY 2010 through FY 2010 period to finance the arts and humanities grants.

**Financial Plan Impact**

Funds are sufficient in the FY 2009 budget and the proposed FY 2010 through FY 2013 budget and financial plan to implement the provisions of the proposed amendment. Applying the general sales tax of 5.75 percent to the sale of tickets from live theater performance is estimated to raise \$2.0 million in FY 2010 and \$8.3 million in the FY 2010 through FY 2010 period to finance the arts and humanities grants provided for in the amendment.

<b>Fiscal Impact of Amendment to Create a New Subtitle (II)(BB)</b> <b>Grow the Arts and Humanities Act of 2009</b> <b>(In millions of dollars)</b>					
	FY 2010	FY 2011	FY 2012	FY 2013	Four Year Total
Revenue from Applying the Sales Tax to the Sale of Tickets for Live Theater Performances	\$2.0	\$2.0	\$2.1	\$2.2	\$8.3