

Performing Arts Promotion Amendment Act of 2017,

Bill 22-577

Before the

**Committee on Finance and Revenue
Council of the District of Columbia
The Honorable Jack Evans, Chair**

**October 30, 2018, 10:00 A.M.
John A. Wilson Building, Room 120**



**Testimony of Andrew D. Reiter
Assistant General Counsel
Office of Tax and Revenue**

**Jeffrey S. DeWitt
Chief Financial Officer
Government of the District of Columbia**

Good morning Chairman Evans and members of the Committee on Finance and Revenue. I am Andrew D. Reiter, Assistant General Counsel, for the Office of Tax and Revenue (“OTR”). I am pleased to present testimony on Bill 22-577, the “Performing Arts Promotion Amendment Act of 2017,” (the “Bill”).

In general, the Bill would create a nonrefundable tax credit for businesses, both incorporated and unincorporated, that host live performing artists for tax years beginning on or after January 1, 2019. An annual amount would be allocated for such credits in the budget and financial plan and eligible applicants would receive the credit in the order their applications were received. In order to qualify, businesses must host live performances by performing artists for a minimum of 48 hours per month, have a seating capacity of under 150 seats and gross income of less than \$750,000. The credit would be equal to 10 percent of the value of gross receipts from the sale of food or drink, including alcoholic beverages, sold on the day of a live performance, and shall not exceed \$10,000 per business per year.

The introduced draft of the Bill will raise some implementation and administrative difficulties. OTR would be happy to work with the Committee staff to make the changes required to achieve the stated intent of the Bill and be administered by OTR.

Thank you, Chairman Evans, for the opportunity to comment on this Bill. I would be happy to answer any questions at this time.