



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session

House: COM DPA 8-1-1-0

HB 2704: tax; distribution; county stadium district

Sponsor: Representative Weninger, LD 13

Caucus & COW

Overview

Creates a funding mechanism for reconstructing, equipping, repairing, maintaining or improving the Major League Baseball facility owned and operated by the County Stadium District.

History

The Maricopa County Stadium District was formed in accordance with [A.R.S. § 48-4202\(A\)](#) through action of the Maricopa County Board of Supervisors in September 1991. The Stadium District owns Chase Field, home of the Arizona Diamondbacks.

Provisions

1. Requires, beginning July 1, 2026, the State Treasurer to transfer the applicable income taxes collected from professional baseball athletes to the County Stadium District for deposit into the County Stadium District Fund. (Sec. 2)
2. Requires the State Treasurer, beginning October 1, 2025, to transfer the applicable transaction privilege tax (TPT) revenues to the County Stadium District for deposit into the County Stadium District Fund. (Sec. 6)
3. States the applicable TPT revenues will be derived from persons conducting business under the retail, amusement, restaurant and prime contracting classifications at, or with respect to events at the Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 6)
4. Requires, beginning October 1, 2025, Arizona Department of Revenue (DOR) to separately account for revenues collected under the retail classification from businesses selling tangible personal property on the premises of a Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 7)
5. Requires, beginning October 1, 2025, DOR to separately account for revenues collected under the amusement classification from the sales of admissions to a Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 8)
6. Requires, beginning October 1, 2025, DOR to separately account for revenues collected under the restaurant classification from businesses operating restaurants, dining rooms, lunchrooms, lunch stands, soda fountains, catering services or similar establishments on the premises of a Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 9)

☐ Prop 105 (45 votes)

☐ Prop 108 (40 votes)

☐ Emergency (40 votes)

☐ Fiscal Note

7. Requires, beginning October 1, 2025, DOR to separately account for revenues collected under the prime contracting classification from any prime contractor engaged in the construction of any buildings and associated improvements that are for the benefit of a Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 10)
8. Requires, beginning October 1, 2025, a city or town to transmit the applicable TPT or similar taxes and fees to the County Stadium District for deposit into the County Stadium District Fund. (Sec. 12)
9. States the applicable city or town TPT or similar taxes and fees will be derived from persons selling tangible personal property at retail, operating as an amusement or similar specified activities, operating as a restaurant or similar specified establishment and prime contracting at, or with respect to events at the Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 12)
10. Requires, beginning January 1, 2026, DOR to separately account for these city or town collected revenues. (Sec. 12)
11. Requires, beginning October 1, 2025, a county to transmit the applicable county excise taxes collected to the County Stadium District for deposit into the County Stadium District Fund. (Sec. 13)
12. States the applicable county excise taxes collected will be derived from persons selling tangible personal property at retail, operating as an amusement or similar specified activities, operating as a restaurant or similar specified establishment and prime contracting at, or with respect to events at the Major League Baseball facility that is owned or operated by the County Stadium District. (Sec. 13)
13. Requires, beginning January 1, 2026, DOR to separately account for these county excise tax revenues. (Sec. 13)
14. Includes the income tax amount reported to DOR by a professional baseball franchise organization when determining net proceeds of the state income taxes for the year. (Sec. 14)
15. Requires a professional baseball franchise organization that is domiciled in AZ to provide DOR the federal taxpayer identification number for each resident and nonresident employee of the organization who provided services in this state for the organization. (Sec. 15)
16. Requires DOR, on or before March 31 of each year, to separately account for and report to the State Treasurer as an aggregate amount the total net income tax revenues collected on all income from an AZ professional baseball franchise organization and its resident and nonresident employees domiciled in AZ during the preceding year. (Sec. 15)
17. Defines *professional baseball franchise organization*. (Sec. 15)
18. Requires that the applicable state TPT, city, town and county excise taxes, and income taxes transmitted to the county stadium district fund be used only for reconstructing, equipping, repairing, maintaining or improving the Major League Baseball facility owned and operated by the County Stadium District. (Sec. 16)
19. Contains technical and conforming changes.

Amendments

Committee on Commerce

1. Requires, on or before November 1 of each year, the Board of Directors to report to the Joint Legislative Budget Committee and the Governor's Office of Strategic Planning and Budgeting regarding all new maintenance and operations projects that cost more than \$1 Million. (Sec. 16)
2. Stipulates that any individual, including employees of the Professional Baseball Franchise Organization, are subject to the Conflict of Interest laws for the purposes of spending monies in the Fund. (Sec. 17)
3. Requires the District Treasurer to notify the State Treasurer and the Department of Revenue if the Professional Baseball Franchise Organization leaves AZ. On receipt of the notice, the State Treasurer will stop transmitting monies to the Maricopa County Stadium District. (Sec. 18)
4. Requires the State Treasurer to assess a penalty on the Professional Baseball Franchise Organization in the following amounts:
 - a) \$10 Million if it leaves AZ before October 1, 2035.
 - b) \$5 Million if it leaves AZ before October 1, 2045.
 - c) \$1 Million if it leaves AZ before October 1, 2050. (Sec. 18)
5. Allows for DOR to stop separately accounting for the TPT and Income tax revenues associated with this funding. (Sec. 18)
6. Requires any remaining monies that are unexpended and unencumbered to be sent to the appropriate jurisdiction from which the monies were generated. (Sec. 18)