

Columbus Ticket Fee Answers to Frequently Asked Questions (Sept. 2018)

What is it?

The Columbus ticket fee is a proposed fee charged on tickets for events and admissions to venues within the city of Columbus. This includes season tickets and tickets purchased through subscription series. Also known as a “user fee” it is intended to be paid by the consumer, or the user.

What will the money collected from the fee be used for?

The revenue collected will be invested back into the community by providing much needed funds for grants and capital improvement dollars to nonprofit arts and cultural organizations and artists funded by the Greater Columbus Arts Council (70 percent), and for capital improvements to the publicly-owned Nationwide Arena (30 percent).

Why is it needed?

Multiple independent research studies in the last decade demonstrate that the position of Columbus’s arts, culture and entertainment sector in relation to its peer cities is extremely weak. Per capita spending on arts and culture here is below peer cities like Cleveland and Pittsburgh, and arts and cultural organizations receive significantly less public funding than their counterparts across the country. Similarly, Nationwide Arena is nearly 20 years old, and while the structure is sound, renovations or improvements have largely been deferred since its opening. In comparison with other major league arenas, Nationwide currently ranks last in capital improvements. Moreover, every other city competing for Amazon’s HQ2 and other major employers maintain downtown arenas and have vibrant arts and cultural offerings

This additional public funding is needed to insure sustainability for these vital components of our community and continue their significant impact on our economy, employment, education and quality of life. Revenue generated from a 7 percent ticket fee will keep Columbus arts, cultural and entertainment attractions well-cared for, with high-quality productions and exhibitions, and position the organizations and venues to continue to play a leading role in attracting residents, businesses and visitors to the region.

Why was this funding mechanism chosen?

Thirteen different public funding options for providing sustainability and critical capital support for Columbus arts and cultural organizations were reviewed and vetted. Thorough research and financial analysis was done to determine the amount of money required to sustain these entities in the manner needed to support the growing Columbus economy and tourism industries. This solution – at 7 percent – generates the needed amount of money, has support from key stakeholders, is a model allowed by Ohio law and is already adopted in 64 other cities in the state.

How will it be implemented?

Ohio Revised Code enables municipalities to implement admissions fees. Following submission of the proposal, the City Attorney’s office will work with the Columbus Auditor’s office to draft the legislation and release it to City Council to review. City Council will determine a public hearing schedule to give the community an additional opportunity to voice their comments. Based on those hearings, City Council will determine the timing for voting on the legislation.

When will the legislation language be available, and will it spell out all the details?

Once the legislation is released publicly, the legislative process begins and all concerned parties can review it. The legislation will define “admission” and “ticket” for the purposes of collecting the fee. The Auditor’s Office will be responsible for issuing a more specific set of rules and regulations regarding administrative details of implementing and collecting the fee.

To which events and venues would the fee be applied?

The ticket fee would be applied to events at: concerts and performances at Nationwide Arena, Schottenstein Center, Ohio Stadium, Mapfre Stadium, Huntington Park; professional sports at Nationwide Arena, Mapfre Stadium, Huntington Park; nonprofit arts and cultural venues and events; concert venues; Greater Columbus Convention Center events; Ohio Expo Center events; movie theaters; privately owned golf courses.

How much will a 7 percent ticket fee generate?

Research indicates the estimated total revenue from admissions and tickets in Columbus is \$197.3 million annually. Each percent of the ticket fee would generate approximately \$2 million. The largest single contributors to revenue are the Columbus Blue Jackets, and concerts at Nationwide Arena, Schottenstein Center and Ohio Stadium.

Will the fee apply to memberships?

Attractions would apply the fee to the value of a one-time admittance for the number of individuals covered by the membership. Performing arts and sports would apply the fee to the total purchase price of the tickets within the season or subscription. For organizations operating venues outside the city of Columbus, the fee shall be applied only on memberships purchased at the Columbus venues.

Are there any exemptions?

GCAC is recommending the following exemptions: 1) If the event occurs at a live performance or event venue of 400 seats or less, the fee shall not be applied. 2) If the event price at a live performance or event venue falls at or below \$10, the fee shall not be applied.

In addition GCAC recommends NOT including the following in the definition of ticket or admission to exempt the following: Race and walk registrations; registration fees for classes, lectures, workshops, conferences, camps; fees to participate in culinary, brewery, distillery and cultural tours and tastings; complimentary tickets; free events; pay what you can event access; charges outside of admission incurred in the process of producing or attending an event (vendor space rental, parking, food, beverages, rides); *charitable events solely benefiting the operations of a nonprofit organization; memberships which are not attached to admission to an event or venue (shopping clubs, service organizations, maker-spaces); benefits beyond the value of admissions or tickets (space rental, complimentary tickets, reciprocal memberships, catalogs); lane fees at bowling alleys; admissions or fees for animals entering an event or venue. * *Events in which only partial proceeds benefit a nonprofit organization and the remainder go to a for-profit entity would not be exempt from the fee.*

Exemptions currently understood to be in place under Ohio law and previously stipulated by other municipalities include: All K-12 sporting events and college sporting events, at any venue; admissions to events for the exclusive benefit of: religious institutions, persons in U.S. military forces, Columbus Public Schools, Columbus Police, Columbus Fire, City of Columbus, State of Ohio, or any political subdivision.

Who collects the fee?

The Columbus Auditor's office will determine whether collections will be venue or event based, or a combination of the two. The city of Columbus will provide an accounting and invoicing structure for the selling entities to submit the collected fees on a regular schedule determined by the Auditor's office.

When is the effective date, and will it apply to the date of sale or the event date?

This will be determined by Columbus City Council's process but GCAC's recommendation is Jan. 1, 2019. Tickets sold prior to that date will not have the fee applied, regardless of the event date.

How will the Greater Columbus Arts Council distribute funding to arts and cultural organizations?

The Greater Columbus Arts Council will distribute the funds from the ticket fee to arts and cultural organizations and individuals through its current grant programs. Distribution of dollars within the grant programs is still being determined but will significantly increase available funds in all grant programs for nonprofit arts and cultural organizations and artists and provide funds for cultural facilities capital expenditures.