Bond Case Briefs

Municipal Finance Law Since 1971

Senate Tax Bill Could Add Anti-Stadium Bond Provision.

Sen. James Lankford offered an amendment to the Republican tax bill in the Senate to eliminate tax breaks for professional sports stadium construction, matching a provision in the House bill.

The Oklahoma Republican's Senate bill proposal would make sports stadiums ineligible for tax breaks given to private activity bondholders. Income on private activity bonds is tax-exempt if the project financed by the bonds has some public benefit. Lankford's amendment would spell out that professional stadiums cannot be categorized as a public good and therefore the tax break couldn't apply.

"Senator Lankford disagrees with using billions of federal taxpayer dollars for the subsidization of private stadiums when we have so many infrastructure needs in our country," Lankford spokesman D.J. Jordan said in an email. "Everyone likes free federal money to build their expensive stadiums, but with $20 trillion in federal debt, this is waste that needs to be eliminated."

Despite differences in legislative text between the Lankford amendment and the House bill, the effect would be the same: the tax break would be eliminated, said Tim Fisher, coordinator of legislative and federal affairs at the Council of Development Finance Agencies.

CDFA, which represents finance officers at state, local, non-profit and private entities, opposes the provision because bonds for stadiums can help spur economic growth, Fisher said.

"Stadium bonds are an important part of the development finance toolbox," he said.

It was unclear Thursday afternoon if the amendment would be included in the Senate's debate on the tax bill or during the vote on final passage.

ROLLCALL

By JACOB FISCHLER

NOV 30, 2017

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com