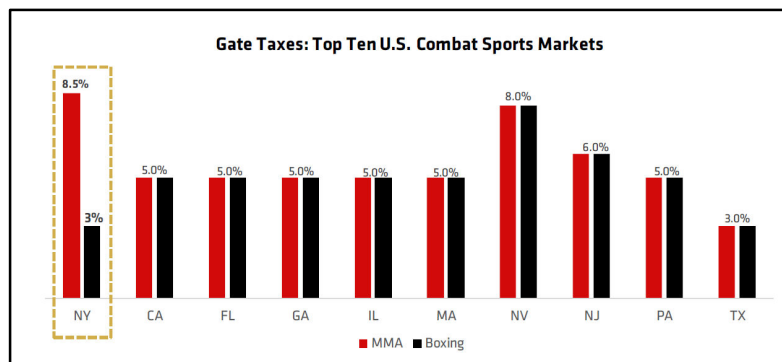




March 19, 2024

The Business Council of New York State, with more than 3,000 members – from the largest global corporations to the hundreds of small businesses across the state – supports A.5254 (Zebrowski) / S.6620 (Parker) and urges the Legislature to pass this bill which would create gate tax parity for combat sports.

Currently, New York is the only state in the nation that has one gate tax for boxing and wrestling – 3%, tied for the lowest in the nation – and another gate tax for MMA events – 8.5%, the highest in the nation. See the chart below.



That means that a fan can buy a ticket for a boxing match at Madison Square Garden or the KeyBank Center in Buffalo, and the gate tax on that ticket is 3%, or \$3.00 on a \$100 ticket. However, if that fan goes to see an MMA event at the same arena, the gate tax on that \$100 ticket would be 8.5%, or \$8.50. That makes no sense. The first reason that the BCNYS supports A.5254/S.6620, to have one consistent 3% gate tax for all combat sports events.

The other reason the BCNYS urges passage of this legislation is to help create a competitive advantage – or at least remediate the current competitive disadvantage – for New York’s arenas. Yes, the Barclays Center and UBS Arena, but also the MVP Arena in Albany, the Kennedy Arena in Rome, the Oncenter War Memorial in Syracuse, or the Vision Veterans Memorial Arena in Binghamton, among others.

Beyond the UFC, there are regional and local MMA promoters that would be more likely to schedule MMA events in venues across the state if the gate tax was more competitive in New York than New Jersey, Pennsylvania or Massachusetts. The BCNYS believes passage would increase the number of MMA events in New York, as well as provide an added boost to local restaurants, hotels and small businesses, and New York can use all the help it can get in boosting tourism and supporting local businesses.

For all the above reasons, the BCNYS urges passage of this legislation.