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2. Have a certificate of occupancy of fewer than 1,000 persons;
3. Present live music at least three separate days per week;
4. Hire one or more musicians to perform the equivalent of 16 individual performances per week;
5. Meet certain standards for compliance with public health, safety, noise, licensing and tax laws (no more than three violations per 12 month period); and
6. Submit quarterly compliance reports to the Director of FAS.

Council Bill _____ would establish a less rigorous set of criteria for qualification for admission tax exemption for live music venues having a certificate of occupancy of 500 or fewer persons. The new standards would require that a venue:

1. Apply to the Director of the Department of Finance and Administrative Services (FAS) for a certificate of exemption;
2. Have a certificate of occupancy of 500 or fewer persons;
3. Present live music at least two (not three) separate days per week;
4. Meet certain standards for compliance with public health, safety, noise, licensing and tax laws (no more than three violations per 12 month period); and
5. Submit annual (not quarterly) compliance reports to the Director of FAS.

The eligibility criteria for smaller clubs would not include a minimum number of individual musicians' performances. Live music venues with a capacity of more than 500 but fewer than 1,000 persons would continue to be eligible for exemption from the admission tax provided that they meet the more stringent current criteria.

The admission tax generated a total of approximately \$8.1 million of revenue for Arts Account and the General Subfund in 2014. Of this, about \$650,000 was collected from bars and live music venues.