

Tourism Development Act



OKLAHOMA
Commerce

Allows developers to capture state sales taxes for new tourism projects that attract out-of-state visitors to new or expanded tourism sites such as entertainment districts, destination hotels, arenas, museums, theme parks, cultural centers, and others.



How does it work?

- The developer (owner) of the tourism attraction asset must complete an application and submit it to the Oklahoma Department of Commerce (Commerce) along with a business plan, marketing plan, and development costs of the project.
- Commerce reviews the application materials and may grant a preliminary approval to the project at which time the developer must pay for a consultant report.
- After the consultant report is provided, Commerce determines the project's revenue neutrality and maximum incentive.
- If approved, state sales taxes associated with the tourism attraction asset may be captured over a 10-year period.
- The recipient gets a payment every year for 10 years based on actual performance, not projections (Commerce works with the Oklahoma Tax Commission on the administration of the sales tax credit).
- To qualify, 25% of the visitors attracted must be from out of state.
- A maximum of \$15 million can be credited back annually for all qualifying projects.

Projects Facilitated by the Tourism Development Act:

- Oklahoma City's 21C hotel
- Tulsa Club
- First National Building
- The OAK - an entertainment district being developed in Oklahoma City



For more information, contact:

Jon Chiappe
Director, Research & Economic Analysis Services
405-815-5210
jon.chiappe@okcommerce.gov



okcommerce.gov/incentives