

By: Representatives Williams, Broomfield,
Martinson, Peranich, Fredericks

To: Ways and Means

HOUSE BILL NO. 1336
(As Sent to Governor)

1 AN ACT TO PROVIDE THAT A PERSON MUST BE LICENSED AS A
2 PROMOTER BY THE MISSISSIPPI ATHLETIC COMMISSION IN ORDER TO
3 PRODUCE OR STAGE A PROFESSIONAL BOXING MATCH IN MISSISSIPPI OR IN
4 ORDER TO SHOW IN MISSISSIPPI A PROFESSIONAL BOXING MATCH BY A
5 CLOSED CIRCUIT OR PAY-PER-VIEW TELECAST; TO PROVIDE THAT A
6 PROMOTER WHO IS CONDUCTING A CLOSED CIRCUIT OR PAY-PER-VIEW EVENT
7 THAT IS TAXED PURSUANT TO THIS ACT SHALL POST A BOND CONDITIONED
8 THAT THE PROMOTER WILL CONDUCT HIMSELF IN ACCORDANCE WITH THE LAWS
9 OF THE STATE OF MISSISSIPPI, THE RULES AND REGULATIONS PRESCRIBED
10 BY THE MISSISSIPPI ATHLETIC COMMISSION AND THAT HE WILL PROMPTLY
11 PAY ALL TAXES WHEN DUE; TO PROVIDE THAT THE PROMOTER OF A CLOSED
12 CIRCUIT OR PAY-PER-VIEW TELECAST SHALL OBTAIN A PERMIT FOR SUCH
13 TELECAST FROM THE MISSISSIPPI ATHLETIC COMMISSION; TO PROVIDE FOR
14 A TAX ON CLOSED CIRCUIT AND PAY-PER-VIEW TELECASTS TO BE COLLECTED
15 BY THE MISSISSIPPI ATHLETIC COMMISSION; TO PROVIDE PENALTIES FOR
16 VIOLATIONS OF THIS ACT; TO AMEND SECTION 75-75-105, MISSISSIPPI
17 CODE OF 1972, TO CONFORM TO THE PROVISIONS OF THIS ACT; AND FOR
18 RELATED PURPOSES. BE IT ENACTED BY THE LEGISLATURE OF THE STATE
19 OF MISSISSIPPI:

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21 SECTION 1. As used in this act:
- 22 (a) "Boxing" means to compete with the fists.
- 23 (b) "Broadcast" means any audio or visual transmission
24 sent by any means of signal within, into or from this state.
- 25 (c) "Closed circuit telecast" means any telecast which
26 is not intended to be available for viewing without the payment of
27 a fee, collected for or based upon such event viewed, for the
28 privilege of viewing the telecast and includes pay-per-view
29 telecasts.
- 30 (d) "Commission" means the Mississippi Athletic
31 Commission.
- 32 (e) "Contest" means a boxing engagement in which the
33 participants strive earnestly to win.
- 34 (f) "Face value" means the dollar value of a ticket or
35 order, which value shall reflect the dollar amount that the

36 customer is required to pay, or in the case of complimentary
37 tickets, would have been required to pay to purchase a ticket with
38 equivalent seating priority, in order to view the match.

39 (g) "Gross receipts" means the gross price charged for
40 the sale or lease of broadcasting, closed circuit or pay-per-view
41 rights without any deduction for commissions, brokerage fees,
42 production fees, distribution fees, advertising or other expenses
43 or charges, and shall include the face value of all tickets sold
44 and complimentary tickets redeemed.

45 (h) "Match" means any boxing contest or exhibition and
46 shall include, but not be limited to, sparring or practice
47 sessions to which the public is admitted for a fee.

48 (i) "Person" means an individual, corporation,
49 partnership, association or other organization.

50 (j) "Professional" means a person who has received or
51 competed for any purse or other article of value for participating
52 in a match.

53 (k) "Promoter" means any person who produces, arranges,
54 stages, holds or gives any match in Mississippi involving a
55 professional participant, or shows or causes to be shown in
56 Mississippi a closed circuit or pay-per-view telecast of any match
57 involving any professional participant whether or not the telecast
58 originates in Mississippi.

59 SECTION 2. (1) No person may act as or perform the services
60 of a promoter without first obtaining a license to do so from the
61 commission. The fee for a promoter's license shall be as provided
62 for in Section 75-75-105, Mississippi Code of 1972.

63 (2) A promoter's license may be issued to a natural person,
64 a corporation or a partnership. However, each officer or partner
65 shall submit an application for a permit and only those officers
66 or partners whose applications are on file with the commission
67 shall be entitled to negotiate or sign contracts regarding matches
68 conducted or shown in this state.

69 SECTION 3. (1) Before conducting an event which is subject
70 to the tax provided for in Section 5 of this act, a promoter shall
71 enter into a bond payable to the commission in an amount of not
72 less than Five Thousand Dollars (\$5,000.00) or equal to the

73 projected amount of the tax if the commission determines that the
74 projected amount of the tax will be greater than Five Thousand
75 Dollars (\$5,000.00). The bond shall be conditioned that the
76 promoter will conduct himself in accordance with the laws of the
77 State of Mississippi, that he will comply with the rules and
78 regulations prescribed by the commission, and that he will
79 promptly pay all taxes due under Section 5 of this act.

80 (2) As an alternative to entering into a bond as required by
81 this section, a promoter may, subject to the same conditions of
82 conduct required for bonds, deposit with the commission the
83 equivalent amount of the bond required in cash or securities. The
84 only securities allowable for this purpose are those which may
85 legally be purchased by a bank or for trust funds, having a market
86 value not less than that of the required bond. The deposit made
87 under this section shall be returned to the promoter sixty (60)
88 days after the event for which it was posted if all the conditions
89 of conduct have been met by the promoter.

90 SECTION 4. The promoter of a closed circuit or pay-per-view
91 telecast of a professional boxing match must first apply for, and
92 the commission must approve, a permit for such a telecast. The
93 application for a permit shall be on forms prescribed by the
94 commission and shall contain the date of the broadcast, the
95 origination address of the broadcast, a statement that the
96 applicant acknowledges responsibility for the payment of taxes to
97 the commission, the time frame by which the post-event tax reports
98 must be filed, the portion of the closed circuit and pay-per-view
99 rights for which the promoter is acknowledging responsibility and
100 such other information as the commission may consider necessary to
101 carry out the provisions of this act. There shall be no charge by
102 the commission for a permit issued for a closed circuit or
103 pay-per-view telecast. The permit shall be filed at least thirty
104 (30) days before the date of the broadcast.

105 SECTION 5. (1) If the Mississippi distribution rights for a

106 closed circuit or pay-per-view telecast that is to be viewed in
107 this state are owned in whole by, sold to, acquired by or held by
108 any person who intends to or subsequently sells or in some other
109 manner extends such rights in part to another, then such person
110 shall be considered to be a promoter and shall, before the
111 telecast, obtain a license to act as such from the commission.
112 However, the commission may provide by rule, for additional
113 promoters to participate in the distribution rights and share in
114 the liability for tax payment under this section. Closed circuit
115 and pay-per-view telecasts of a boxing match shall not be telecast
116 from, or into Mississippi except under the auspices of a promoter
117 who has received a permit from the commission to act as a promoter
118 in this state and such promoter shall be responsible for filing
119 the appropriate reports and tax payments with the commission.

120 (2) In the case of closed circuit telecasts other than
121 pay-per-view, the promoter shall notify the commission of the
122 names and addresses of all facilities to or through which the
123 closed circuit telecast will be shown fourteen (14) days before
124 the date of the closed circuit event, and shall provide daily
125 updates to the commission of any additions and deletions of
126 facilities.

127 (3) Any person or facility owner or operator intending to
128 show the closed circuit telecast, whether or not an admission fee
129 is charged, shall receive authorization to show the telecast for
130 the promoter before the telecast. The showing of a closed circuit
131 telecast without the authorization of the promoter is prohibited.

132 (4) In the case of facilities at or through which the closed
133 circuit telecast was shown, other than a system operator's
134 pay-per-view facilities, the promoter shall, within eight (8)
135 calendar days after the telecast, file with the commission a
136 written report containing the name, address, telephone number,
137 contact person and the details of the payment arrangement for the
138 rights to receive the telecast for each facility to which the

139 broadcast was transmitted. The written report shall be
140 accompanied by a tax payment in an amount equal to five percent
141 (5%) of the total amount paid to the promoter for the right to
142 broadcast the telecast. The commission may require the owner or
143 operator of the facility where the telecast is being shown to file
144 a report containing the information regarding the amount paid to
145 the promoter for the right to broadcast the telecast, the quality
146 of the audio and video signal and such other information as the
147 commission may require.

148 (5) In the case of a system operator's pay-per-view
149 facilities at or through which a closed circuit telecast was
150 shown, the promoter shall, within fifteen (15) calendar days
151 following receipt of a notice of tax payment due by the
152 commission, pay to the commission a tax payment in an amount equal
153 to five percent (5%) of the total gross receipts excluding any
154 federal, state or local taxes. The commission shall require the
155 system operator to file reports containing information regarding
156 the number of orders sold and the price charged for such orders
157 and such other information as the commission shall require.

158 (6) Taxes collected by the commission pursuant to this
159 section shall be deposited into the special fund created in
160 Section 75-75-114, Mississippi Code of 1972.

161 SECTION 6. Any promoter, facility owner or operator, or
162 system operator who intentionally makes a false or fraudulent
163 report required under this act shall be guilty of a misdemeanor,
164 and, upon conviction thereof, shall be punished as provided in
165 Section 99-19-31, Mississippi Code of 1972.

166 SECTION 7. Any promoter, facility owner or operator or
167 system operator who intentionally fails to make a report or pay
168 the taxes as required by this act shall be guilty of a
169 misdemeanor, and upon conviction thereof, shall be punished as
170 provided by Section 99-19-31, Mississippi Code of 1972.

171 SECTION 8. Section 75-75-105, Mississippi Code of 1972, is

172 amended as follows:

173 75-75-105. The commission shall have a seal and shall have
174 and is hereby vested with the sole direction, management, control
175 and jurisdiction over all boxing, sparring and wrestling matches
176 or exhibitions to be conducted, held or given within the State of
177 Mississippi. The commission has full power and authority and it
178 shall be its duty: (a) to make and publish rules and regulations
179 governing the conduct of boxing, sparring and wrestling matches
180 and exhibitions, the time and place thereof, and the prices
181 charged for admission thereto; (b) to accept application for and,
182 in its discretion, order a license or permit issued to promoters
183 and participants of these events, and to revoke the license or
184 permit; (c) to collect through the recorder of permits and
185 licenses a fee of six percent (6%) of the gross receipts of every
186 boxing, sparring or wrestling match or exhibition, and a
187 reasonable fee not to exceed One Hundred Dollars (\$100.00) for
188 each annual license or permit issued to a boxer, wrestler,
189 referee, judge, matchmaker, promoter, manager, trainer, second,
190 director, or timekeeper; and (d) to revoke any license or permit
191 when, in its judgment, the public welfare requires it. The
192 commission is prohibited from issuing regulations which may be
193 construed as granting a franchised or exclusive territory, and
194 from the issuing of any type of monopolistic license or permit.
195 The commission shall have all powers and duties provided in
196 Sections 1 through 7 of House Bill No. 1336, 1999 Regular Session.

197 SECTION 9. This act shall take effect and be in force from
198 and after July 1, 1999.