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HOUSE BILL 1072 Committee Substitute Favorable 6/24/03

 reads as rewritten: "Article 68. North Carolina State Boxing <u>and Entertainment</u> Commission." SECTION 3. G.S. 143-651(5) reads as rewritten: "The following definitions apply in this Article: 		Short Title:Regulate Ticket Brokers.(Public)	
April 10, 2003 A BILL TO BE ENTITLED AN ACT TO RENAME THE NORTH CAROLINA STATE BOXING COMMISSION TO REGULATE PERSONS SEEKING TO ENGAGE IN BUSINESS AS TICKET BROKERS, TO APPLY THE PRIVILEGE TAX ON AMUSEMENTS TO SERVICES PROVIDED BY TICKET BROKERS, TO AUTHORIZE A STUDY ON THE EFFECTIVENESS OF REGULATING TICKET BROKERS, AND TO MAKE IT UNLAWFUL TO USE ALTERED OR COUNTERFEIT ADMISSION TICKETS. The General Assembly of North Carolina enacts: SECTION 1. Article 68 of Chapter 143 of the General Statutes is amended by designating G.S. 143-650 through G.S. 143-658 as: "Part 1. Boxing.". SECTION 2. The title of Article 68 of Chapter 143 of the General Statute reads as rewritten: "Article 68. North Carolina State Boxing and Entertainment Commission." SECTION 3. G.S. 143-651(5) reads as rewritten: "The following definitions apply in this Article: " (5) Commission. – The North Carolina State Boxing and Entertainment Commission. " SECTION 4. G.S. 143-651(23b) reads as rewritten:		Sponsors:	
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1	"	
2	SEC	FION 5. G.S. 143-652(a) reads as rewritten:
3		ate Boxing and Entertainment Commission.
4		ion. – The North Carolina State Boxing and Entertainment Commission
5		in the Department of Crime Control and Public Safety to regulate in
6		live boxing and kickboxing matches, matches in this State as provided in
7		ner professional, amateur, sanctioned amateur, or toughman events, in
8		n is charged for viewing, or the contestants compete for a purse or prize
9	of value greater	than twenty five dollars (\$25.00). twenty-five dollars (\$25.00); and to
10		s who are ticket brokers as provided in Part 2 of this Article. The
11		all consist of six voting members and two nonvoting advisory members.
12		rs shall be residents of North Carolina and shall meet requirements for
13	membership un	der the Professional Boxing Safety Act of 1996. The members shall be
14	appointed as fol	lows:
15	(1)	One voting member shall be appointed by the Governor for an initial
16		term of two years.
17	(2)	One voting member shall be appointed by the General Assembly upon
18		the recommendation of the President Pro Tempore of the Senate for an
19		initial term of one year, in accordance with G.S. 120-121.
20	(3)	One voting member shall be appointed by the General Assembly upon
21		the recommendation of the Speaker of the House of Representatives
22		for an initial term of one year.
23	(4)	Two voting members shall be appointed by the Secretary of Crime
24		Control and Public Safety. One shall serve for an initial term of three
25		years, and the other shall serve for an initial term of two years.
26	(4a)	One member shall be appointed by the Tribal Council of the Eastern
27		Band of the Cherokee for an initial term of three years.
28	(5)	One nonvoting advisory member shall be appointed by the General
29		Assembly upon the recommendation of the Speaker of the House of
30		Representatives for an initial term of one year, in accordance with G.S.
31		120-121, from nominations made by the North Carolina Medical
32		Society, which shall nominate two licensed physicians for the position.
33	(6)	One nonvoting advisory member shall be appointed by the General
34		Assembly upon the recommendation of the President Pro Tempore of
35		the Senate for an initial term of one year, in accordance with G.S.
36		120-121, from nominations made by the North Carolina Medical
37		Society, which shall nominate two licensed physicians for the position.
38		r appointed pursuant to subdivision (5) of subsection (a) of this section
39		e Commission only if an agreement exists and remains in effect between
40		cil of the Eastern Band of the Cherokee and the Commission authorizing
41		n to regulate professional boxing matches within the Cherokee Indian
42		provided by the Professional Boxing Safety Act of 1996.
43 44		voting advisory members appointed pursuant to subdivisions (6) and (7)

44 of subsection (a) of this section shall advise the Commission on matters concerning the

1	health and physical condition of boxers and	health issues relating to the conduct of		
2	exhibitions and boxing matches. They may pro-	epare and submit to the Commission for		
3	its consideration and approval any rules that	t in their judgment will safeguard the		
4	physical welfare of all participants engaged in b	poxing.		
5	Terms for all members of the Commission	-		
6	be for three years.			
7	The Secretary of Crime Control and Public	Safety shall designate which member of		
8	the Commission is to serve as chair. A memb			
9	from office by the Secretary of Crime Control	-		
10	entering upon the duties of a member shall ta	•		
11	duties of the office faithfully, impartially, and justly to the best of the member's ability.			
12	A record of these oaths shall be filed in the Department of the Secretary of Crime			
13	Control and Public Safety."	1 5		
14	SECTION 6. G.S. 143-655 reads as	rewritten:		
15	"§ 143-655. Fees; State Boxing and Entertain			
16	(a) License Fees. – The Commission sha			
17		6		
18	Announcer	\$ 50.00		
19	Contestant	\$ 25.00		
20	Judge	\$ 50.00		
21	Manager	\$100.00		
22	Matchmaker	\$200.00		
23	Promoter	\$300.00		
24	Referee	\$ 50.00		
25	Timekeeper	\$ 50.00		
26	Second	\$ 25.00.		
27	The annual license renewal fees shall not ex	ceed the initial license fees.		
28	(b) Permit Fees. – The Commission m	ay establish a fee schedule for permits		
29	issued under this Article. The fees may vary of	lepending on the seating capacity of the		
30	facility to be used to present a match. The fee n	nay not exceed the following amounts:		
31				
32	Seating Capacity	Fee Amount		
33	Less than 2,000	\$100.00		
34	2,000 - 5,000	\$200.00		
35	Over 5,000	\$300.00.		
36	(c) State Boxing <u>and Entertainment</u> Co	mmission Revenue Account There is		
37	created the State Boxing and Entertainment C	ommission Revenue Account within the		
38	Department of Crime Control and Public Sat	ety. Monies [moneys]Moneys collected		
39	pursuant to the provisions of this Article shall	be credited to the Account and applied to		
40	the administration of the Article."			
41	SECTION 7. Article 68 of Chapter	143 of the General Statutes is amended		
42	by adding the following new Part to read:			
43	" <u>Part 2. Ticket</u>			
11	"8 143-659 1 Regulation of ticket brokers by	v Commission		

44 "<u>§ 143-659.1. Regulation of ticket brokers by Commission.</u>

1	The North	Carolina State Boxing and Entertainment Commission shall regulate
2		who are ticket brokers as provided in this Part.
3	" <u>§</u> 143-659.2.	•
4		ng definitions apply in this Part:
5	(1)	<u>Commission. – The North Carolina State Boxing and Entertainment</u>
6	<u>,-/</u>	Commission.
7	<u>(2)</u>	Promoter. – A person, firm, or corporation assuming the financial
8	<u> </u>	responsibilities of an athletic contest or entertainment event, including
9		contracting with the principals, renting the site, and collecting the gate
10		receipts.
11	<u>(3)</u>	<u>Ticket. – A certificate or token showing that a fare or admission fee</u>
12		has been paid and that gives the holder a revocable license to enter an
13		event.
14	<u>(4)</u>	<u>Ticket broker. – A person, firm, or corporation engaging in the</u>
15		business of reselling one or more tickets to live athletic contests,
16		concerts, theatre performances, or other entertainments, amusements,
17		or exhibitions where the general public is admitted and meets the
18		requirements of registration and bonding pursuant to this Part. For
19		purposes of this definition, a firm or corporation engaging in business
20		as a ticket broker shall meet the requirements of registration and
21		bonding and each individual engaging in business as a ticket broker
22		and employed by a firm or corporation registered as a ticket broker
23		shall meet the requirements of registration and bonding pursuant to
24		this Part.
25	<u>(5)</u>	<u>Ticket sales agent. – A person, firm, or corporation engaging in the</u>
26		business of selling one or more tickets to live athletic contests,
27		concerts, theatre performances, or other entertainments, amusements,
28	US 142 (50.2)	or exhibitions where the general public is admitted.
29 20		Powers and duties of Commission. purposes of this Part, the Commission has the following powers and
30 31		purposes of this Part, the Commission has the following powers and
31	<u>duties:</u> (1)	To adopt rules necessary to carry out the provisions of this Part.
33	(1) (2)	To administer and enforce the provisions of this Part.
33 34	$(\underline{2})$ $(\underline{3})$	To establish requirements to register under this Part.
35	(4)	To receive and investigate complaints from members of the public.
36	$\frac{(+)}{(5)}$	To conduct investigations to determine whether violations of this Part
37	<u>(5)</u>	or grounds for disciplining registrants exist.
38	(b) The	Commission may inspect the premises and records of ticket brokers at
39		hour to determine compliance with the provisions of this Part.
40	•	Commission shall keep a record of its proceedings relating to the
41		val, denial, restriction, suspension, and revocation of registrations. This
42		lso contain each registrant's name, business and home addresses,
43		nber, and the date the registration was issued.

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1	(d) All ticket brokers shall perform an audit each year and submit a report of the
2	audit to the Commission within 30 days after the audit is completed. The Commission
3	shall adopt rules establishing guidelines for these audits.
4	"§ 143-659.4. Authority to resell tickets; exemptions; restrictions.
5	(a) Except as otherwise provided in this section, it shall be unlawful for any
6	person, firm, or corporation to resell or offer for resale any ticket to any athletic contest,
7	concert, theatre performance, amusement, exhibition, or other entertainment event
8	where the general public is admitted for a price in excess of the face value of the ticket
9	unless that person, firm, or corporation is registered as a ticket broker pursuant to the
10	provisions of this Part.
11	(b) It shall not be unlawful for any person, firm, or corporation to resell, offer for
12	resale, purchase, or offer to purchase a ticket for a price not to exceed the face value of
13	the ticket, plus tax and a service fee of three dollars (\$3.00).
14	(c) Charitable or nonprofit organizations and their employees or agents and
15	volunteers shall not be subject to the provisions of this Part when offering for sale any
16	tickets of admission in a raffle, auction, or other fund-raising activity for the benefit of
17	the organization's purposes.
18	(d) For any single athletic contest or entertainment event that occurs no more
19	than once annually or any series of athletic contests that occur no more than once
20	annually and occur within a time period not exceeding 10 days, a promoter of a contest
21	or event may contractually restrict the resale of a ticket to that contest or event by giving
22	notice of the restriction on the back of the ticket. An owner, operator, lessee, or tenant
23	of the property where the contest or event is to be held or is being held may
24	contractually restrict the resale of the right of occupancy of any specific suite, seat, or
25	seating area by giving notice in writing of the restriction.
26 27	" <u>§ 143-659.5. Requirements for registration; issuance of registration; renewal;</u>
27 28	<u>moneys credited to State Boxing and Entertainment Commission</u> Revenue Account.
28 29	(a) Before placing any advertisement or making any other representations to
30	prospective buyers in this State, a person, firm, or corporation seeking to engage in
31	business as a ticket broker shall satisfy the following:
32	(1) Maintain a permanent office or place of business in this State,
33	excluding a post office box, for the purpose of engaging in the
34	business of a ticket broker.
35	(2) File for registration as a ticket broker with the Commission on a form
36	provided by the Commission. The filing shall contain the following:
37	a. The name and place of business of the ticket broker.
38	b. A statement describing the activities of the ticket broker,
39	including that the ticket broker:
40	<u>1.</u> Engages in the resale of admission tickets on a regular
41	and continuous basis from one or more permanent
42	locations within the State.
43	2. <u>Maintains as the principal place of business activity at</u>
44	those locations the resale of tickets.

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4		
1		3. <u>Maintains at those locations a listing of the names and</u>
2		addresses of all persons employed by the ticket broker.
3		In the case of a firm or corporation filing for registration
4		as a ticket broker, the firm or corporation shall maintain
5		at its location a listing of the names and addresses of all
6		persons employed by the firm or corporation as
7		registered ticket brokers.
8	<u>(3)</u>	Obtain a bond issued by a surety company authorized to do business in
9		this State in the amount of twenty-five thousand dollars (\$25,000) and
10		file a copy of the bond with the Commission. The bond shall be
11		executed in favor of the State for the benefit of any person damaged by
12		the ticket broker's breach of contract or any obligation arising from the
13		breach or by any violation of this Part. Any person claiming against
14		the bond may maintain an action against the ticket broker and the
15		surety. The aggregate liability of the surety shall be for actual damages
16		and shall not exceed the amount of the bond.
17	<u>(4)</u>	Pay a registration fee established by the Commission not to exceed two
18		thousand dollars (\$2,000).
19	-	n finding that a ticket broker has complied with the requirements of
20		of this section, the Commission shall issue to the ticket broker a
21		egistration. The ticket broker shall display the certificate of registration
22	-	the ticket broker's place of business.
23		et brokers shall renew their registration annually pursuant to rules
24		Commission and pay a renewal fee established by the Commission not to
25		<u>usand dollars (\$2,000).</u>
26		eys collected pursuant to the provisions of this Part shall be credited to
27		ng and Entertainment Commission Revenue Account pursuant to G.S.
28		d applied to the administration of this Part.
29		Disclosure; refunds.
30		ket broker shall:
31	<u>(1)</u>	Post at the ticket broker's established place of business the terms of the
32		purchaser's right to cancel the purchase of a ticket from a ticket broker.
33	<u>(2)</u>	Disclose to the purchaser, on the ticket or receipt, the refund policy of
34		the ticket broker if an athletic contest or entertainment event is
35		canceled or not rescheduled.
36	<u>(3)</u>	Disclose to the purchaser, on the ticket or receipt, the difference
37		between the face value of the ticket and the amount that the ticket
38		broker is charging for the ticket.
39	<u>(4)</u>	Sell tickets only at the ticket broker's permanent office or place of
40		business. However, delivery of one or more tickets after the
41		transaction is completed to a place other than the ticket broker's office
42		or place of business shall not violate this subdivision.

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1	(b) U	Inless otherwise provided in a written agreement between a ticket broker and
2		, a ticket broker shall refund any payment received for the purchase of a
3	ticket under	
4	(]	1) The purchaser returns the ticket and requests a cancellation of the sale
5		within 36 hours from the time of purchase of the ticket; and
6	(2	2) The return is made more than 72 hours preceding the athletic contest
7		or entertainment event.
8	<u>(c)</u> <u>A</u>	ticket broker shall refund, within 15 days from the date of purchase, any
9		ceived for the purchase of a ticket under this Part if the athletic contest or
10	entertainme	nt event is canceled or not rescheduled.
11	<u>(d)</u> <u>If</u>	f a ticket broker guarantees, in writing, the delivery of a ticket or tickets to
12	an athletic	contest or entertainment event to a purchaser and fails to complete the
13	delivery, the	e ticket broker shall, within 15 days from the date of purchase, provide a full
14	refund of ar	ny amount paid by the purchaser and pay the purchaser a refund fee of three
15	times the an	nount paid by the purchaser for each ticket.
16	" <u>§ 143-659.</u>	7. Prohibited conduct.
17	<u>(a)</u> <u>A</u>	ticket broker or an employee or agent of a ticket broker is prohibited from
18	engaging in	any of the following:
19	<u>(</u>]	1) Employing any agent or employee for the purpose of making future
20		purchases of tickets from the owner, operator, lessee, or tenant of the
21		property where an athletic contest or entertainment event is to be held.
22	(2	2) Acquiring or reselling in excess of one percent (1%) of the total tickets
23		allocated for any contest or event. For purposes of this subdivision, a
24		firm or corporation engaging in business as a ticket broker is limited to
25		one percent (1%) of the total tickets allocated for any contest or event
26		regardless of the number of ticket brokers employed by the firm or
27		corporation. No more than five percent (5%) of the total tickets
28		allocated for any contest or event shall be purchased by ticket brokers.
29	(3	3) <u>Reselling or offering for resale any ticket within 1,500 feet from the</u>
30		venue where an event or contest is to be held or is being held.
31	(4	4) Paying any consideration, directly or indirectly, to any promoter,
32		operator, or ticket sales agent to acquire or assist in the acquisition of a
33		ticket, except for the actual face value of the ticket and any service fee
34		authorized by G.S. 14-344(a).
35	<u>(b)</u> <u>A</u>	promoter, operator, or ticket sales agent shall not receive any consideration,
36	directly or	indirectly, from any person, firm, or corporation to acquire or assist in the
37	acquisition	of a ticket, except for the actual face value of the ticket and any service fee
38	authorized b	by G.S. 14-344(a).
39	" <u>§ 143-659.</u>	8. Disqualification for felony conviction.
40	No perso	on shall practice or engage in business as a ticket broker, or be employed as
41	general mar	nager for a person practicing or engaged in business as a ticket broker, who
42	has been co	nvicted of a felony and has not been pardoned or had the person's civil rights
43	restored.	
11	"8 1/3 650	0 Violations

44 "§ 143-659.9. Violations.

1	<u>(a)</u>	Civil	Penalties The Commission may issue an order against a registrant or
2	any othe	r perso	n who willfully violates any provision of this Part or rules adopted by
3	the Com	missior	n. Orders issued by the Commission may include the following:
4		<u>(1)</u>	An order requiring the registrant or other person to cease and desist
5			from violating any provision of this Part.
6		<u>(2)</u>	An order suspending or revoking the ticket broker's registration.
7		<u>(3)</u>	An order imposing a civil penalty of up to twenty-five thousand dollars
8			(\$25,000) for each violation of this Part.
9	No order	under	this subsection may be entered without giving the registrant or other
10	person 1	<u>5 days'</u>	prior notice and an opportunity for a contested case hearing conducted
11	<u>pursuant</u>	to Arti	cle 3 of Chapter 150B of the General Statutes.
12	Proce	eds of	civil penalties imposed pursuant to this subsection shall be remitted to
13	the Civil	Penalt	y and Forfeiture Fund in accordance with G.S. 115C-457.2.
14	<u>(b)</u>	Crimi	inal Penalties A willful violation of any provision of this Part shall
15	<u>constitute</u>	e a Cla	ass 2 misdemeanor. The Commission may refer any available evidence
16	<u>concerni</u>	ng viol	lations of this Part to the proper district attorney who may, with or
17	without r	eferenc	ce, institute the appropriate criminal proceedings.
18	<u>(c)</u>	<u>Injun</u>	ction Whenever it appears to the Commission that a person has
19	engaged	or is a	about to engage in an act or practice constituting a violation of any
20	provisior	n of thi	is Part or any rule adopted by the Commission, the Commission may
21	<u>bring</u> an	action	in any court of competent jurisdiction to enjoin those acts or practices
22	and to en	nforce	compliance with this Part or any rule or order issued pursuant to this
23	<u>Part.</u> "		
24		SEC	FION 8. Chapter 14 of the General Statutes is amended by adding a
25	new sect		
26	" <u>§ 14-16</u>		<u>ering, forging, restoring, or counterfeiting certain tickets.</u>
27	<u>(a)</u>	<u>It sha</u>	<u>ll be unlawful for a person to:</u>
28		<u>(1)</u>	Alter, restore, or otherwise prepare in any manner any ticket, token, or
29			paper designed to entitle the holder to admission to any sports,
30			amusement, concert, or other facility offering services to the general
31			public, with the intent to use or cause it to be used after it has already
32			been used;
33		<u>(2)</u>	Counterfeit, forge, or alter any ticket, token, or paper designed to
34			entitle the holder to admission to any sports, amusement, concert, or
35			other facility offering services to the general public, with the intent to
36			sell, utter, put off or pass the same, or cause or procure the same to be
37			sold, uttered, or passed with the intent to defraud any person;
38		<u>(3)</u>	Buy, sell, offer for sale, or possess any counterfeit, forged, or altered
39			ticket, token, or paper designed to entitle the holder to admission to
40			any sports, amusement, concert, or other facility offering services to
41			the general public, with the intent to defraud any person, knowing the
42			same to be counterfeit, forged, or altered.
43	<u>(b)</u>	<u>As us</u>	sed in this section, the term "counterfeit" means to manufacture, copy,
44	reproduc	e, or f	orge a ticket, token, or paper that purports to be genuine, but is not,

1	because it has been falsely copied, reproduced, forged, manufactured, embossed,
2	encoded, duplicated, or altered.
3	(c) Any person who violates this section shall be guilty of a Class 2
4	misdemeanor."
5	SECTION 9. G.S. 14-344 reads as rewritten:
6	"§ 14-344. Sale of admission tickets in excess of printed price.
7	(a) Any person, firm, or corporation shall be allowed to add a reasonable service
8	fee to the face value of the tickets sold, and the person, firm, or corporation which sells
9	or resells such tickets shall not be permitted to recoup funds greater than the combined
10	face value of the ticket, tax, and the authorized service fee. This service fee may not
11	exceed three dollars (\$3.00) for each ticket except that a promoter or operator of the
12	property where the event is to be held and a ticket sales agency may agree in writing on
13	a reasonable service fee greater than three dollars (\$3.00) for the first sale of tickets by
14	the ticket sales agent. This service fee may be a pre-established amount per ticket or a
15	percentage of each ticket. The existence of the service fee shall be made known to the
16	public by printing or writing the amount of the fee on the tickets which are printed for
17	the event. Any person, firm or corporation which sells or offers to sell a ticket for a
18	price greater than the price permitted by this section shall be guilty of a Class 2
19	misdemeanor.
20	(b) This section shall not apply to the resale of tickets pursuant to Part 2 of
21	Article 68 of Chapter 143 of the General Statutes."
22	SECTION 10. G.S. 105-37.1 reads as rewritten:
23	"§ 105-37.1. Dances, athletic events, shows, exhibitions, and other entertainments.
24	(a) Scope. – A privilege tax is imposed on the gross receipts of a person who is
25	engaged in any of the following:
26	(1) Giving, offering, or managing a dance or an athletic contest for which
27	an admission fee in excess of fifty cents (50ϕ) is charged.
28	(2) Giving, offering, or managing a form of amusement or entertainment
29	that is not taxed by another provision of this Article and for which an
30	admission fee is charged.
31	(3) Exhibiting a performance, show, or exhibition, such as a circus or dog
32	show, that is not taxed by another provision of this Article.
33	(a1) <u>Ticket Brokers. – A privilege tax is imposed on the brokerage fee charged by</u>
34	a ticket broker registered under Part 2 of Article 68 of Chapter 143 of the General
~ -	
35	Statutes. For the purposes of this section, 'brokerage fee' means the difference between
36	Statutes. For the purposes of this section, 'brokerage fee' means the difference between the amount charged by the ticket broker for resale of the ticket and the face value of the
36 37	Statutes. For the purposes of this section, 'brokerage fee' means the difference between the amount charged by the ticket broker for resale of the ticket and the face value of the ticket.
36 37 38	 <u>Statutes. For the purposes of this section, 'brokerage fee' means the difference between the amount charged by the ticket broker for resale of the ticket and the face value of the ticket.</u> (b) Rate and Payment. – The rate of the privilege tax is three percent (3%) of the
36 37 38 39	 <u>Statutes. For the purposes of this section, 'brokerage fee' means the difference between the amount charged by the ticket broker for resale of the ticket and the face value of the ticket.</u> (b) Rate and Payment. – The rate of the privilege tax is three percent (3%) of the gross receipts from the activities described in subsection (a) of this section.section and
36 37 38 39 40	 Statutes. For the purposes of this section, 'brokerage fee' means the difference between the amount charged by the ticket broker for resale of the ticket and the face value of the ticket. (b) Rate and Payment. – The rate of the privilege tax is three percent (3%) of the gross receipts from the activities described in subsection (a) of this section.section and three percent (3%) of the brokerage fees described in subsection (a1) of this section.
36 37 38 39 40 41	 Statutes. For the purposes of this section, 'brokerage fee' means the difference between the amount charged by the ticket broker for resale of the ticket and the face value of the ticket. (b) Rate and Payment. – The rate of the privilege tax is three percent (3%) of the gross receipts from the activities described in subsection (a) of this section.section and three percent (3%) of the brokerage fees described in subsection (a1) of this section. The tax is due when a return is due. A return is due by the 10th day after the end of each
36 37 38 39 40 41 42	 Statutes. For the purposes of this section, 'brokerage fee' means the difference between the amount charged by the ticket broker for resale of the ticket and the face value of the ticket. (b) Rate and Payment. – The rate of the privilege tax is three percent (3%) of the gross receipts from the activities described in subsection (a) of this section.section and three percent (3%) of the brokerage fees described in subsection (a1) of this section. The tax is due when a return is due. A return is due by the 10th day after the end of each month and covers the gross-receipts or fees received during the previous month.
36 37 38 39 40 41	 Statutes. For the purposes of this section, 'brokerage fee' means the difference between the amount charged by the ticket broker for resale of the ticket and the face value of the ticket. (b) Rate and Payment. – The rate of the privilege tax is three percent (3%) of the gross receipts from the activities described in subsection (a) of this section.section and three percent (3%) of the brokerage fees described in subsection (a1) of this section. The tax is due when a return is due. A return is due by the 10th day after the end of each

performance to this State from outside the State must file a statement with the Secretary that lists the dates, times, and places of the performance, show, or exhibition. The statement must be filed no less than five days before the first performance, show, or exhibition in this State.

5 (d) Local Taxes. – Cities may levy a license tax on a person taxed under 6 subdivision (a)(1) or (a)(2) of this section; however, the tax may not exceed twenty-five 7 dollars (\$25.00). Cities may levy a license tax on a person taxed under subdivision 8 (a)(3) of this section; however, the tax may not exceed twenty-five dollars (\$25.00) for 9 each day or part of a day the performance, show, or exhibition is given at each location.

10 Counties may not levy a license tax on a person taxed under subdivision (a)(1) or 11 (a)(2) of this section. Counties may levy a license tax on a person taxed under 12 subdivision (a)(3) to the same extent as a city.

13 <u>Neither a county nor a city may levy a license tax on a person taxed under</u>
 14 <u>subsection (a1) of this section.</u>"

15 SECTION 11. The North Carolina State Boxing and Entertainment 16 Commission, as renamed and enacted in Section 2 of this act, shall conduct a study to 17 determine the effectiveness of its regulation of ticket brokers and address any issues that 18 relate to the registration of ticket brokers, enforcement of the provisions of Part 2 of 19 Article 68 of Chapter 143 of the General Statutes, enacted in Section 7 of this act, and 20 any other issues the Commission considers necessary. The Commission shall make an 21 interim report of its findings and recommendations to the 2004 Regular Session of the 22 2003 General Assembly and a final report to the 2005 General Assembly.

23 SECTION 12. This act becomes effective December 1, 2003, and applies to
 24 offenses committed and tickets sold on or after that date.