



**JOAN BALLWEG**

STATE SENATOR · 14<sup>TH</sup> SENATE DISTRICT

Senate Bill 569: Nonprofit Sales Tax Exemption  
Senate Committee on Financial Institutions and Revenue  
Testimony of Senator Joan Ballweg  
January 11, 2022

Chair Kooyenga and members of the committee, thank you for holding this hearing on Senate Bill 569, relating to the sales tax exemption for entertainment admission sales by nonprofit organizations.

A nonprofit organization includes a neighborhood association, church, civic group, garden club, social club, or similar organization not organized for profit where no part of the net earnings are to the benefit of any private shareholder or individual. In the 2017 budget, the standards to determine when a nonprofit organization's sales qualify for the occasional sales tax exemption was increased to \$10,000.

With local non-profit events becoming more and more popular, the previous increase was needed and helpful. But as these events grow in size, the sales tax exemption limit is hindering expansion of such events, such as the Iola Car Show.

Senate Bill 569 will increase to \$50,000 the standard for a nonprofit organization's sales to qualify for the occasional sales tax exemption. I have with me testimony from the car show representatives which further discusses how this change can help their event and the village of Iola.

Thank you again for your time today.



January 11, 2022

Good Morning,

My name is Joe Opperman, I'm the Executive Director of the Iola Car Show. We're a non-profit organization whose flagship event will be celebrating its 50<sup>th</sup> anniversary this July. I'm very sorry I wasn't able to attend in person today. I had planned to testify in person but I woke up with a migraine and a low grade fever, and thought it best not to travel.

Our event is a major economic driver for all of central Wisconsin, filling hotels and restaurants more than an hour away from the event, held in Iola, WI. The event draws more than 100,000 guests to the small town from all over the country, and our volunteer structure allows us to contribute funds to nearly 130 different civic organizations, including Lions clubs, youth groups, church groups and more. Since our non-profit incorporation, we've contributed nearly \$9 million dollars directly to these groups and their causes, in addition to the massive impact on the surrounding economies. The event is truly a gem of the state, and known as a world class institution.

The issue before us is a restriction on the amount non-profit events are allowed to spend on music entertainment at their event. As it stands today, we are capped at \$10,000 that we're allowed to spend on musical entertainment over the course of our event, which spans three days. While our event isn't a music festival, that \$10,000 limit represents a very dated amount that really inhibits our ability to entertain our guests. For that price, we aren't able to bring in the combination of local favorites "The Doo-Wop Daddies" and "Road Trip" without exceeding the limit. The bill we're testifying about would raise that limit to \$50,000.00, which would go a long way to help us sustain the event. Truly, we would love to see the limitations removed entirely, but this proposed increase would be a great step in the right direction. While music isn't the core of the event, it is an important piece of allowing events like ours to stay relevant and continue to attract attendees in the future. Our survival and success is good for the economy throughout the entire state.

We appreciate you taking the time to consider this bill, and look forward to supporting it however we can.

Sincerely,

Joe Opperman

Executive Director

Iola Car Show

920-358-3224

PO Box 1, Iola, WI 54945

***50th Anniversary Celebration ~ Iola 2022 ~ July 7-9, 2022***