



March 29, 2022

**SUMMARY OF BILL AS AMENDED (016143):** Authorizes Davidson County to levy a privilege tax of five percent or less on admission tickets, and all other sales, at the National Museum of African American Music (NMAAM).

**FISCAL IMPACT OF BILL AS AMENDED:**

**Increase Local Revenue – Exceeds \$92,700/Each FY22-23 through FY51-52  
/Davidson County/Permissive**

Assumptions:

- For the purposes of this analysis, it is assumed Davidson County will levy a five percent privilege tax on admission to the NMAAM.
- Based on previous attendance numbers, it can be reasonably estimated that the NMAAM will sell at least 42,500 adult tickets, 12,500 youth tickets, 12,500 senior tickets, and 7,500 military, educator, and student tickets, totaling 75,000 tickets.
- Adult tickets are \$24.95, youth tickets are \$13.50, senior tickets are \$18.75, and military, educator, and student tickets are \$18.75; therefore, the revenue received by the NMAAM each year through admission tickets is estimated to exceed \$1,604,125 [(42,500 x \$24.95) + (12,500 x \$13.50) + (12,500 x \$18.75) + (7,500 x \$18.75)].
- It can be reasonably assumed that at least one-third of all annual visitors, or 25,000 visitors (75,000 / 3), will spend at least \$10 on food and merchandise; therefore, the revenue received by the NMAAM each year through food and merchandise is estimated to exceed \$250,000 (25,000 x \$10).
- The total revenue received by the NMAAM each year is estimated to exceed \$1,854,125 (\$1,604,125 + \$250,000).
- The permissive recurring increase in local government revenue is estimated to exceed \$92,706 (\$1,854,125 x 5.0% privilege tax rate).
- Pursuant to Tenn. Code Ann. § 67-4-3003(c)(1)(C), the authority of municipalities to levy this privilege tax expires after 30 years, at the latest; therefore, the increase in local revenue is estimated to apply to FY22-23 through FY51-52.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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