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CPA PRACTICE ADVISOR

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Just days after Daytona-owner International Speedway Corp. reported a first-quarter profit of \$13.5 million, the Florida Senate on Monday began moving a bill that would give the NASCAR promoter and racetrack owner nearly \$100 million worth of tax breaks over the next 30 years.

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Sponsored by Volusia County Republican Sen. Dorothy Hukill, the legislation would give ISC three tax breaks: A refund of all sales tax paid during the construction, which analysts estimate will save the company \$10 million; a sales-tax subsidy similar to one given to other professional sports teams in Florida, worth \$60 million over 30 years; and a second, ongoing subsidy based on much sales-tax collections rise following the Daytona expansion. Analysts haven't determined how much the second subsidy would cost the state in tax revenue.

ISC would have to spend at least \$250 million on construction over a four-year period before it could receive any of the tax breaks.

"Not only will this help Daytona, not only will it help Volusia County [and] Central Florida, it will help the entire state," said Hukill, who said about 60 percent of the spectators who attend the annual Daytona 500 stock-car race come from outside of Florida.

A similar bill is advancing through the Florida House of Representatives. Lawmakers are also discussing a different concept that would have a host of sports teams and leagues seeking tax breaks this spring — including ISC, Major League Soccer, baseball spring training, and the Miami Dolphins and Jacksonville Jaguars football teams — compete for the same pot of money.

The Monday vote came four days after ISC announced that it turned a \$13.5 million profit during the first quarter of its fiscal year, which included an operating profit of \$25 million on revenue of \$129 million. The company's total cash on hand grew to \$111 million.

Some conservative activists and other government watchdogs have criticized the proposed tax breaks as unnecessary because ISC already has business reasons for renovating and expanding its Daytona speedway. But only supporters of the

legislation turned out in Tallahassee on Monday, including business leaders and

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