



# Turnback tax changes wouldn't aid all cities equally

Omaha's CenturyLink would bring in more funds;  
 Ralston arena would see even bigger gain

BY ROSEANN MORING  
 WORLD-HERALD STAFF WRITER

The City of Omaha wouldn't see the same kind of turnback tax gain as Ralston if state lawmakers pass a bill designed to standardize the use of the tax incentive.

The CenturyLink Center, an Omaha-owned convention center and arena, receives turnback tax money only from the nearby Hilton hotel and from sales inside the facility.

Seventy percent of the sales tax from those two places comes back to the city. The other 30 percent goes into a

fund for community projects in smaller cities and towns.

Of the money that comes back to Omaha, 10 percent goes toward areas with high poverty.

The rest goes to pay off debt on the CenturyLink Center.

Under Legislative Bill 884, all hotels within 600 yards of the facility would qualify for turnback tax.

That would include the Marriott that's being built at 10th Street and Capitol Avenue and possibly others in the downtown area, said Omaha Finance Director Steve Curtiss.

The law caps Omaha's turnback tax money at \$75 million.

In total, Omaha has received about \$25 million in turnback tax for the CenturyLink Center.

LB 884 also would codify that the city could use the money for capital improvements, such as putting a new roof on the facility.

Curtiss said city officials don't know exactly how much more money to expect under the bill. The city hasn't mapped the 600 yards around the center, so it's not clear what falls within that radius.

The Legislature voted 26-5 to advance the bill earlier this week.

Introduced by State Sen. Jim Scheer of Norfolk, it also

would ease the way for La Vista's proposed Nebraska Multisport Complex to qualify for the state support mechanism. Currently the turnback tax applies to arenas in Omaha, Lincoln and Ralston.

Lincoln receives that tax money from hotels. So does Omaha.

Ralston receives the money from retailers within a 600-yard radius.

Under a proposed amendment to the bill, Ralston also would benefit by an expansion of the time frame for turnback taxes, from two years following the arena's opening to four years.

Contact the writer:  
 402-444-1084, roseann.moring@owh.com