For the past twenty years, publicly subsidized stadiums have become an increasingly popular means for areas to attract and retain professional teams. The tax-exempt federal bonds primarily used to subsidize the privately owned franchises cost the taxpayers millions of dollars annually, with most of the benefits accumulating to a select few. Projections from the U.S. Treasury estimate that eliminating the tax exemption could save the federal government approximately $542 million over the next ten years.

According to a study by Bloomberg Business, “Over the life of the $17 billion of exempt debt issued to build stadiums since 1986, the last of which matures in 2047, taxpayer subsidies to bondholders will total $4 billion.”

**RECOVERY**

Public funding should be focused on broader projects that not only benefit a larger population, but also serve a more tangible public policy purpose. Congress should act to make stadiums ineligible for use of tax-free municipal bonds and stop subsidizing multi-million dollar franchises.

*For more information, please visit:*

- Department of the Treasury: General Explanations of the Administration's Fiscal Year 2016 Revenue Proposals
- GAO: Tax Policy: Tax-Exempt Status of Certain Bonds Merits Reconsideration, and Apparent Noncompliance with Issuance Cost Limitations Should Be Addressed
- Bloomberg Business: In Stadium Building Spree, U.S. Taxpayers Lose $4 Billion