



GOVERNOR GREG ABBOTT
ECONOMIC DEVELOPMENT & TOURISM

Major Events Reimbursement Program

Report on the 2015 Formula 1 United States Grand Prix

Date of Event: October 23-25, 2015

Report Publish Date: October 10, 2018

BACKGROUND

The Major Events Reimbursement Program permits local governments and local organizing committees to apply to the State for the establishment of a Major Events Reimbursement Fund to help pay for certain eligible costs associated with conducting specifically-named major events if all statutory and administrative requirements are met pursuant to Article 5190.14, Section 5A, Vernon's Texas Civil Statutes. The fund established for each event consists of amounts deposited by the State and local government of the estimated incremental increase in tax receipts, as determined by the State, that are directly attributable to the preparation for and presentation of the event for a one-year period. The period begins two months before the date of the event and continues for ten months thereafter. In accordance with statute, the estimated increase in tax receipts is limited to amounts collected within a designated market area, and only to amounts collected from five specific tax types.

The Legislature transferred the administration of the program from the Texas Comptroller of Public Accounts ("Comptroller's Office") to the Economic Development and Tourism Office within the Office of the Governor ("OOG") during the 84th Legislative Session, with an effective date of September 1, 2015. As part of these duties, Article 5190.14, Section 5A(w) requires the Office of the Governor to use existing resources to complete a post-event study in the market area of eligible major events.

This post-event economic impact study provides the best available information regarding the direct tax effects of the 2015 Formula 1 United States Grand Prix.

SUMMARY OF EVENT

The 2015 Formula 1 United States Grand Prix (the "event") was held October 23-25, 2015 at the Circuit of the Americas in Austin. Formula One Management Ltd. was the Site Selection Organization for the event. A Site Selection Letter was submitted to the OOG as a part of the application to the program. See Appendix A for the application, including the Site Selection Letter.

According to the attendance report provided to the OOG by the Circuit Events Local Organizing Committee (CELOC), the Applicant for the event, the total attendance was 100,286 fans. CELOC further estimated that 51 percent of the total attendees, or 50,710, were from out-of-state. This OOG report makes no assumptions about the accuracy of this reported estimate.

METHODOLOGY

The methodology established to determine the direct tax effects of the event by the OOG began with collecting tax data for the five applicable taxes for the most precise period available. Collection of information requires interagency cooperation. Some tax data is available for a monthly period and by city or county. However, some taxes are collected statewide and are only reported quarterly or annually. Since daily tax collection data is unavailable, specific taxes collected for only the days during which the event occurred cannot be determined. After collecting the available data, the OOG compared the tax information for the month of the event in the market area to the same month of years prior to the event. Comparing data from the event to the same time period of the following year cannot be done since the report is due prior to the following year's data being available. The OOG assessed other factors that could

also affect the tax data. Some of the factors include: population growth, crowding out effects, other events being held in the market area during October 2014 (the year prior to the event being held), or different events held in the market area during October 2015 (the month the event was held). Crowding out can include locals leaving town or staying home to avoid frequented businesses due to the influx of visitors. The OOG does not have information available regarding events that do not apply to any of the Events Trust Fund programs to factor into the comparison. These reasons prevent the OOG from determining the actual amount of incremental tax increases of the 2015 Formula 1 United States Grand Prix utilizing existing resources.

APPLICABLE STATE TAXES

In accordance with the Major Events Reimbursement Program statute, the estimated increase in tax receipts attributed to major events are limited to amounts collected within a designated market area, and only to amounts collected from five specific tax types. The five state taxes are: 1) state sales and use taxes; 2) hotel occupancy taxes; 3) mixed beverage taxes; 4) motor vehicle rental taxes; and 5) wholesale alcoholic beverage taxes. Information on each of these tax types are summarized as follows:

Sales & Use Tax

The sales and use tax rate of 6.25 percent is assessed on all tangible personal property and certain services. The sales and use tax is collected by the Comptroller's Office either monthly, quarterly, or annually based on certain qualifications. Since the period of collection varies by business, determining the taxes directly attributable to the event is not attainable. This report reflects that data for the quarter. This tax is also likely to be affected by crowding out.

Hotel Occupancy Tax

The state hotel tax rate is 6.0 percent and is collected on either a monthly or quarterly basis. The Comptroller's Office collects only the state tax portion of the hotel tax, while cities and counties are primarily responsible for collecting their own local hotel taxes. Similar to sales and use tax, the variation of periods that the tax is collected from businesses results in an indeterminable incremental tax increase as a result of the event. Most hotels report monthly, therefore, this report reflects the monthly data.

Motor Vehicle Rental Tax

The motor vehicle gross rental receipts tax is imposed on motor vehicle rentals. The tax rate is based on the length of the rental contract listed below:

- 10% for contracts of 1-30 days
- 6.25% for contracts exceeding 30 days but no longer than 180 days.

Not all cities collect a local tax for car rental, and taxes are collected from the rental company for all rentals across the state, not by city or county. Additionally, a car might be rented from several locations for the event. For these reasons, the motor vehicle rental taxes leveraged in a period cannot be isolated and directly attributed to the event.

Mixed Beverage Tax

The gross receipts tax of 6.70 percent is charged with the sale of mixed beverages on the amount received from the sale, preparation, or service from the sale of an alcoholic beverage that is consumed on the premises of the mixed beverage permittee. The mixed beverage sales tax of 8.25 percent is imposed on the person or organization holding the mixed beverage permit and not the customer. This tax is collected monthly, but since the mixed beverage sales tax is imposed on the mixed beverage permit holder, it may not be added to the selling price as a separate charge and may not be “backed out” from the amount received. This can result in an inaccurate reporting of spending on mixed beverages by event attendees.

Title 5 ABC Tax

Tax rates vary depending on beverage type and alcohol content. The Texas Alcoholic Beverage Commission (TABC) Tax Division receives and processes monthly excise tax reports. Manufacturers of alcoholic beverages may only sell to wholesalers/distributors and the wholesalers/distributors may, in turn, sell only to the retailers. Alcoholic beverages become taxable when the beverages are sold at the retail level, and data for tax collection is only available at a state level. Additionally, the Title 5 ABC tax and the mixed beverage tax are likely to be affected by crowding out, resulting in an unmeasurable effect of the event on these taxes.

TOTAL INCREMENTAL INCREASE IN STATE TAX RECEIPTS

The Major Events Reimbursement Program statute requires the OOG to provide an estimate for the incremental increases in tax receipts expected to be generated by the event based on the five specified tax-types. For this event, the estimate was comprised of both Primary Direct Spending and Secondary Direct Spending (including indirect and induced). The total estimated incremental increase to the state was \$19,592,417. Based on this amount, the Applicant was required to submit a local share of \$3,134,787 according to the state-to-local share ratio of 6.25:1, resulting in a total trust fund of \$22,727,204 (See Appendix B).

The breakdown of the estimated incremental increase of state taxes from the Primary and Secondary Direct Spending are shown below:

Type of Expenditure	Primary - Direct	
	Spending	Taxes
Hotel & Motels	\$55,869,225	\$ 3,352,154
Eating & Drinking Establishments	\$38,160,990	\$ 2,385,062
Alcoholic Beverages (Mixed & Title 5 ABC)	\$21,575,136	\$ 1,310,690
Event Expenses	\$5,379,895	\$ 336,243
Auto Rental	\$6,180,378	\$ 618,038
Shopping & Entertainment (Aggregated)	\$112,684,263	\$ 7,042,766
TOTAL	\$239,849,887	\$ 15,044,953
*NOTE: There was an estimated \$4,547,465 in post event state tax revenue.		

Primary Spending was estimated by the OOG based on projected attendance and projected event spending. Estimated attendee spending was broken down by five (5) expenditure categories: Food and

Beverage (Sales & Use Tax); Entertainment and Shopping (Sales & Use Tax); Lodging (Hotel Occupancy Tax); Rental Car (Car Rental Tax); and Alcohol (Mixed Beverage and Title 5 ABC taxes). The estimated incremental increases in state and local taxes were then calculated for each spending category. The OOG defined the market area for the event as the Austin Metroplex.

Secondary Spending estimates were derived by the OOG by using an economic model to determine tourism industry employment and statutorily eligible tax impacts associated with the event.

STATE TAX RECEIPT IMPACTS FROM DIRECT SPENDING

The following table is based on the best information the OOG was able to gather on tax receipts for the five tax-types specified in the Events Reimbursement Fund statute. The chart shows amounts for November 2015 since the event occurred in October and taxes are collected in the month following the event. All five tax types in the market area saw an increase in receipts when comparing tax receipts around the time period when the event was held with the same time period the year before. However, changes in tax receipts cannot reliably be attributed to any particular event.

Sales Tax			
	2014 Q4	2015 Q4	Difference
Travis County	\$323,022,119	\$338,334,852	\$15,312,733
Williamson County	\$111,191,831	\$116,096,344	\$4,904,513
Hays County	\$47,230,968	\$49,070,435	\$1,839,467
Bastrop County	\$10,868,965	\$11,426,062	\$557,097
Caldwell County	\$4,019,275	\$3,711,598	(\$307,677)
Hotel Occupancy			
	November 2014	November 2015	Difference
Travis County	\$4,182,405	\$4,538,312	\$355,907
Williamson County	\$404,866	\$452,397	\$47,531
Hays County	\$253,974	\$298,367	\$44,393
Bastrop County	\$199,423	\$178,397	(\$21,026)
Caldwell County	\$19,097	\$10,484	(\$8,613)
Car Rental			
	November 2014	November 2015	Difference
State of Texas	\$15,941,302	\$17,266,339	\$1,325,037
Mixed Beverage - 1. Gross Receipts and 2. Mixed Beverage Sales Tax			
	November 2014	November 2015	Difference
Travis County	\$8,121,707	\$7,914,843	(\$206,864)
Williamson County	\$777,026	\$854,726	\$77,700
Hays County	\$366,408	\$443,172	\$76,764
Bastrop County	\$111,721	\$105,895	(\$5,826)
Caldwell County	\$4,354	\$4,485	\$131
Title 5 ABC			
	November 2014	November 2015	Difference
State of Texas	\$18,412,103	\$18,581,521	\$169,418

EVENT DEADLINES RELATED TO PROGRAM

The following program deadlines were verified to have been completed as follows (see Appendix C for documentation):

- Application Received (including Site Selection letter): 09/04/15
 - Deadline: 09/08/15, or no later than 45 days prior to the event
- Event Support Contract Received: 10/23/15
 - Deadline: 10/23/15, or prior to the event
- Attendance Certification Received: 12/09/15
 - Deadline: 12/09/15, or no later than 45 days after the event
- Local Share Received: 01/22/16
 - Deadline: 01/23/16, or no later than 90 days after the event
- Disbursement Request Received: 03/07/16
 - Deadline: 04/22/16, or no later than 180 days after the event

CONCLUSION

Given the available data and constrained to the use of existing resources, it is unlikely that the economic impact directly attributable to the preparation and presentation of the event is measurable with any reasonable degree of accuracy. Using available resources, the data is inconclusive in determining the actual economic impact of the event. Neither a positive nor negative impact is determinable since the tax information provided showed both increases and decreases in taxes collected. The available and reported tax data cannot reliably be attributed to any particular event, while some data cannot even be attributed to any particular market area. The economic variables and limited detail of tax and participant data make it impossible to isolate the incremental tax generated by one particular event to the Texas economy. The development of a reasonably accurate economic impact study requires data state government cannot feasibly capture, such as the actual number of out-of-state-visitors attributable to the event, the actual per-day spending by each event attendee for each of the five allowable tax types, and the length of stay of each attendee. The OOG will continue to examine the collection and reporting of information relating to these major events in an effort to identify options for improvement in data collection to ensure that the purposes of the statutory post-event reporting requirement can be achieved.

APPENDIX A



The following is a step by step guide to the request process of the Event Trust Funds program.

STEP 1:

Review the ETF Administrative Code.

STEP 2:

Complete and submit the attached “Request Worksheet” along with the statutorily required documents outlined in Section 5 to request that the Comptroller determine the incremental tax increase of an event. Must be received by the agency not less than 120 days prior to the event. Please submit to:

**Deputy Comptroller
Comptroller of Public Accounts
111 E. 17th Street
Austin, TX 78774**

STEP 3:

Submit the Event Support Contract to the Comptroller for review. This document should be sent to the Comptroller at the address above not later than the event date.

- **Event Support Contract** is a contract executed by a local organizing committee, an endorsing municipality, or an endorsing county and a site selection organization that outlines the responsibilities of each party. For more information on what an Event Support Contract should include, you may refer to our *Event Support Contract Guidelines* on the website (http://www.texasahead.org/tax_programs/event_fund/).

You will be notified following the agency review of Event Support Contract. Please do not submit any local match funds or any expense reimbursement requests until you have been notified that the Event Support Contract has been accepted.

It is not necessary to submit the Event Support Contract in order to receive an estimate of the Incremental Tax Increase, however, agency review and acceptance of the Event Support Contract is required prior to submission of local match funds and expense reimbursement requests.

STEP 4:

Submit Local Funds. Must be submitted no later than 90 days following the event.

STEP 5:

Submit reimbursement requests.

Review the About Trust Fund Payments section on the website and submit any questions to our Event Trust Fund Accounting team at etf.accounting@cpa.texas.gov.



Request Worksheet to Establish an Events Trust Fund

Please submit this informational worksheet with your official request to establish an events trust fund.

This worksheet is STEP 2 in the process to establish an Event Trust Fund – Requesting that the Comptroller determine the incremental tax increase of an event. Must be received by the agency not less than 120 days prior to the event. Please submit to:

Deputy Comptroller
Comptroller of Public Accounts
111 E. 17th Street
Austin, TX 78774

SECTION 1: Endorsing Municipality or County

CITY OF AUSTIN

Endorsing City or County

LEELA FIRESIDE (legal) and SYLNOVIA HOLT RABB

City or County Contact (officer or employee available to answer any/all follow-up questions)

Leela.Fireside@austintexas.gov / Sylnovia.Holt-Rabb@austintexas.gov (512) 974-2163 / (512) 974-3131

Contact email

Contact phone (area code and phone number)

Has the Endorsing City or County reviewed the event and found that it meets all eligibility requirements, as listed in VCTS 5190.14?

Yes No

Has the Endorsing City or County determined that it will contribute local funding ("local match") to the Events Trust Fund, if established?

Yes No

SECTION 2: Local Organizing Committee

Has the City or County authorized a Nonprofit Local Organizing Committee to enter into an agreement with the Site Selection Organization to host the event on behalf of the City or County?

Yes No

If "YES," provide the following information for the LOCAL ORGANIZING COMMITTEE:

CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE

Local Organizing Committee (LOC) designated in the official request letter

Is the LOC a registered non-profit corporation?

Yes No

45-2727397

LOC Tax Payer ID#

CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE

Complete Business Name

SECTION 2: Local Organizing Committee (continued)

WAYNE S. HOLLINGSWORTH

LOC Contact Name

whollingsworth@abaustin.com

Contact email

(512) 435-2306

Contact phone (area code and phone number)

If "NO," The City or County must directly enter into the event hosting agreement with the site selection organization.

NOTE: If your ETF request is approved, the Event Support / Event Hosting AGREEMENT will be required for submittal to receive reimbursement.

SECTION 3: Site Selection Organization

Formula One Management Ltd.

Site Selection Organization

Chloe Targett-Adams, Legal Department

City or County Contact (officer or employee available to answer follow-up questions – if different from above listed contacts)

ctargett-adams@formltd.com

Contact email

+44 (0) 20-758-46668

Contact phone (area code and phone number)

The Comptroller's office reserves the right to contact the Site Selection Organization or any other organization directly related to this event.

SECTION 4: Event Information

2015 Formula 1 United States Grand Prix

Official Event Name

The Circuit of The Americas

Venue

www.circuitoftheamericas.com/fl

Event Website

Location of this event the previous five years:

1 See Attachment

2 _____

3 _____

4 _____

5 _____

Source of information: _____

SECTION 4: Event Information (continued)

October 23, 2015	October 25, 2015	October 25, 2015
First Day of Activities	Last Day of Activities	Date of the PRIMARY Event
109,477	67,425	
Anticipated TOTAL attendance at the PRIMARY event	Anticipated Out of State Attendance at the PRIMARY Event	

5-county Austin Metropolitan area, including	The event survey information and ticket purchase information.
Desired Market Area	Supporting Information
Travis, Williamson, Hays, Bastrop and Caldwell Counties.	

The Comptroller is required by statute to collect from the requestor and then evaluate the actual attendance figures for an ETF event. After this event has concluded you will need to offer final attendance figures. How do you plan on calculating these figures?

Post event certification of attendance estimates will be based on ticket sales, out of state ticket purchases, post-event survey data, driver and team registration, press passes issued, passes issued by event sponsor.

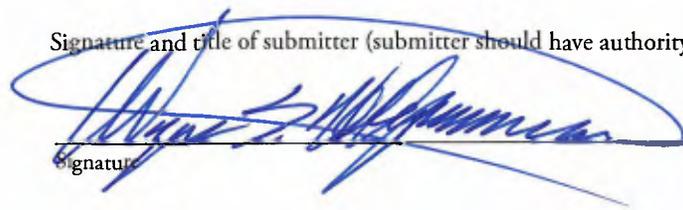
SECTION 5: Checklist

ETF Checklist of documents required to issue an Estimate of Incremental Taxes.

- ETF Request Worksheet.
- SELECTION Letter CLEARLY indicating a highly competitive selection process, and that the selection was based on an application by the endorsing city, county or local organizing committee. This selection letter should clearly indicate the selected LOC, the selected municipality, and the event date. The date must match the requested event date.
- REQUEST Letter CLEARLY indicating the municipality or county's endorsement of the event; names the LOC and the municipality or county's contact; and matches up with the Selection Letter.
- Economic information allowing the Comptroller to make a determination as to the incremental tax increase to the State of Texas.
- Affidavit signed by each endorsing city, county and/or LOC.
- Affidavit signed by party(ies) providing economic data to support this request.

You will be notified of the Estimate of Incremental Taxes following the completion of the agency's review, typically within 30 days of submission.

Signature and title of submitter (submitter should have authority to represent the Endorsing City or County as it regards this request)

 _____
Signature Title

Wayne S. Hollingsworth, Director

Season calendar

On 21 September 2009 the provisional 2010 calendar was issued by the World Motor Sport Council containing 19 races,^[3] followed by a second provisional schedule which had the Abu Dhabi and Brazilian Grands Prix switching dates.^[73] The final calendar was released on 11 December 2009.^[74]

Round	Grand Prix	Circuit	Date
1	Bahrain Grand Prix	 Bahrain International Circuit, Sakhir	14 March
2	Australian Grand Prix	 Albert Park, Melbourne	28 March
3	Malaysian Grand Prix	 Sepang International Circuit, Kuala Lumpur	4 April
4	Chinese Grand Prix	 Shanghai International Circuit, Shanghai	18 April
5	Spanish Grand Prix	 Circuit de Catalunya, Barcelona	9 May
6	Monaco Grand Prix	 Circuit de Monaco, Monte Carlo	16 May
7	Turkish Grand Prix	 Istanbul Park, Istanbul	30 May
8	Canadian Grand Prix	 Circuit Gilles Villeneuve, Montreal	13 June
9	European Grand Prix	 Valencia Street Circuit, Valencia	27 June
10	British Grand Prix	 Silverstone Circuit, Silverstone	11 July
11	German Grand Prix	 Hockenheimring, Hockenheim	25 July
12	Hungarian Grand Prix	 Hungaroring, Budapest	1 August
13	Belgian Grand Prix	 Circuit de Spa-Francorchamps, Stavelot	29 August
14	Italian Grand Prix	 Autodromo Nazionale Monza, Monza	12 September
15	Singapore Grand Prix	 Marina Bay Street Circuit, Singapore	26 September
16	Japanese Grand Prix	 Suzuka Circuit, Suzuka	10 October
17	Korean Grand Prix	 Korea International Circuit, Yeongam	24 October
18	Brazilian Grand Prix	 Autódromo José Carlos Pace, São Paulo	7 November
19	Abu Dhabi Grand Prix	 Yas Marina Circuit, Abu Dhabi	14 November

2011 Formula One season - Wikipedia, the free encyclopedia

Round	Grand Prix	Circuit	Date
1	Australian Grand Prix	 Albert Park, Melbourne	27 March
2	Malaysian Grand Prix	 Sepang International Circuit, Kuala Lumpur	10 April
3	Chinese Grand Prix	 Shanghai International Circuit, Shanghai	17 April
4	Turkish Grand Prix	 Istanbul Park, Istanbul	8 May
5	Spanish Grand Prix	 Circuit de Catalunya, Barcelona	22 May
6	Monaco Grand Prix	 Circuit de Monaco, Monte Carlo	29 May
7	Canadian Grand Prix	 Circuit Gilles Villeneuve, Montreal	12 June
8	European Grand Prix	 Valencia Street Circuit, Valencia	26 June
9	British Grand Prix	 Silverstone Circuit, Silverstone	10 July
10	German Grand Prix	 Nürburgring, Nürburg	24 July
11	Hungarian Grand Prix	 Hungaroring, Budapest	31 July
12	Belgian Grand Prix	 Circuit de Spa-Francorchamps, Stavelot	28 August
13	Italian Grand Prix	 Autodromo Nazionale Monza, Monza	11 September
14	Singapore Grand Prix	 Marina Bay Street Circuit, Singapore	25 September
15	Japanese Grand Prix	 Suzuka Circuit, Suzuka	9 October
16	Korean Grand Prix	 Korea International Circuit, Yeongam	16 October
17	Indian Grand Prix	 Buddh International Circuit, Greater Noida	30 October
18	Abu Dhabi Grand Prix	 Yas Marina Circuit, Abu Dhabi	13 November
19	Brazilian Grand Prix	 Autódromo José Carlos Pace, São Paulo	27 November

2012 Formula One season - Wikipedia, the free encyclopedia

Season calendar

Round	Grand Prix	Circuit	Date
1	Australian Grand Prix	Melbourne Grand Prix Circuit, Melbourne	18 March
2	Malaysian Grand Prix	Sepang International Circuit, Kuala Lumpur	25 March
3	Chinese Grand Prix	Shanghai International Circuit, Shanghai	15 April
4	Bahrain Grand Prix	Bahrain International Circuit, Sakhir	22 April
5	Spanish Grand Prix	Circuit de Catalunya, Montmeló	13 May
6	Monaco Grand Prix	Circuit de Monaco, Monte Carlo	27 May
7	Canadian Grand Prix	Circuit Gilles Villeneuve, Montreal	10 June
8	European Grand Prix	Valencia Street Circuit, Valencia	24 June
9	British Grand Prix	Silverstone Circuit, Silverstone	8 July
10	German Grand Prix	Hockenheimring, Hockenheim	22 July
11	Hungarian Grand Prix	Hungaroring, Budapest	29 July
12	Belgian Grand Prix	Circuit de Spa-Francorchamps, Stavelot	2 September
13	Italian Grand Prix	Autodromo Nazionale Monza, Monza	9 September
14	Singapore Grand Prix	Marina Bay Street Circuit, Singapore	23 September
15	Japanese Grand Prix	Suzuka Circuit, Mie	7 October
16	Korean Grand Prix	Korea International Circuit, Yeongam	14 October
17	Indian Grand Prix	Buddh International Circuit, Greater Noida	28 October
18	Abu Dhabi Grand Prix	Yas Marina Circuit, Abu Dhabi	4 November
19	United States Grand Prix	Circuit of the Americas, Austin, Texas	18 November
20	Brazilian Grand Prix	Autódromo José Carlos Pace, São Paulo	25 November

Source: [9]



Nations hosting Formula One Grands Prix in 2012.

Calendar

The following nineteen races appeared on the 2013 race schedule. Bernie Ecclestone, Formula One's commercial rights holder through his Formula One Management and Formula One Administration companies, has previously said that he believes twenty races is the maximum that is viable.^[76] The number of races on the Formula One calendar is dictated by the Concorde Agreement, the arrangement between teams, the FIA and Formula One Management. At the time of Ecclestone's comments regarding the length of the series schedule, the then-current Concorde Agreement was set to expire at the end of the 2012 season. Twenty to twenty-five races would be possible if the teams agreed to it.^[77]

At the 2012 Hungarian Grand Prix, Ecclestone announced that the 2013 calendar would consist of twenty races, and would be largely similar to the 2012 calendar.^[78] The provisional calendar was announced at the 2012 Singapore Grand Prix,^[79] which was approved by the FIA World Motorsports Council on 28 September 2012.^[1]

The calendar was originally intended to host twenty races, with the inclusion of the Grand Prix of America, a new event to be hosted on the streets of New Jersey on 16 June, as part of a 1-week North American "double-header".^[80] Following its removal from the calendar,^[81] the schedule was reduced to nineteen races until the FIA World Motorsports Council announced that a twentieth round would be included at a circuit in Europe, pending the outcome of negotiations between Bernie Ecclestone and event organisers.^[82] In February 2013, Ecclestone announced that a replacement venue had not been found, leaving the calendar at nineteen Grands Prix.^[83]

Round	Grand Prix	Circuit	Date
1	Australian Grand Prix	Melbourne Grand Prix Circuit, Melbourne	17 March
2	Malaysian Grand Prix	Sepang International Circuit, Kuala Lumpur	24 March
3	Chinese Grand Prix	Shanghai International Circuit, Shanghai	14 April
4	Bahrain Grand Prix	Bahrain International Circuit, Sakhir	21 April
5	Spanish Grand Prix	Circuit de Catalunya, Barcelona	12 May
6	Monaco Grand Prix	Circuit de Monaco, Monte Carlo	26 May
7	Canadian Grand Prix	Circuit Gilles Villeneuve, Montreal	9 June
8	British Grand Prix	Silverstone Circuit, Silverstone	30 June
9	German Grand Prix	Nürburgring, Nürburg	7 July
10	Hungarian Grand Prix	Hungaroring, Budapest	28 July
11	Belgian Grand Prix	Circuit de Spa-Francorchamps, Stavelot	25 August
12	Italian Grand Prix	Autodromo Nazionale Monza, Monza	8 September
13	Singapore Grand Prix	Marina Bay Street Circuit, Singapore	22 September
14	Korean Grand Prix	Korea International Circuit, Yeongam	6 October
15	Japanese Grand Prix	Suzuka Circuit, Suzuka	13 October
16	Indian Grand Prix	Buddh International Circuit, Greater Noida	27 October
17	Abu Dhabi Grand Prix	Yas Viceroy Circuit, Abu Dhabi	3 November
18	United States Grand Prix	Circuit of the Americas, Austin, Texas	17 November
19	Brazilian Grand Prix	Autódromo José Carlos Pace, São Paulo	24 November

Sources:^{[84][85][86]}

Season calendar

The following nineteen Grands Prix took place in 2014.

Round	Grand Prix	Circuit	Date
1	Australian Grand Prix	Melbourne Grand Prix Circuit, Melbourne	16 March
2	Malaysian Grand Prix	Sepang International Circuit, Kuala Lumpur	30 March
3	Bahrain Grand Prix	Bahrain International Circuit, Sakhir	6 April
4	Chinese Grand Prix	Shanghai International Circuit, Shanghai	20 April
5	Spanish Grand Prix	Circuit de Barcelona Catalunya, Barcelona	11 May
6	Monaco Grand Prix	Circuit de Monaco, Monte Carlo	25 May
7	Canadian Grand Prix	Circuit Gilles Villeneuve, Montreal	8 June
8	Austrian Grand Prix	Red Bull Ring, Spielberg	22 June
9	British Grand Prix	Silverstone Circuit, Silverstone	6 July
10	German Grand Prix	Hockenheimring, Hockenheim	20 July
11	Hungarian Grand Prix	Hungaroring, Budapest	27 July
12	Belgian Grand Prix	Circuit de Spa-Francorchamps, Stavelot	24 August
13	Italian Grand Prix	Autodromo Nazionale Monza, Monza	7 September
14	Singapore Grand Prix	Marina Bay Street Circuit, Singapore	21 September
15	Japanese Grand Prix	Suzuka Circuit, Suzuka	5 October
16	Russian Grand Prix	Sochi Autodrom, Sochi	12 October
17	United States Grand Prix	Circuit of the Americas, Austin	2 November
18	Brazilian Grand Prix	Autódromo José Carlos Pace, São Paulo	9 November
19	Abu Dhabi Grand Prix	Yas Viceroy Circuit, Abu Dhabi	23 November

Sources: [90][91][92]



Nations that hosted a Grand Prix in 2014 are highlighted in green, with former host nations shown in pink.



Affidavit to be COMPLETED by any party(ies) providing economic data to support a request for a Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund
AFFIDAVIT

[Affidavit to be signed and sworn (notarized) by anyone providing information to be used in the estimate of the incremental tax increase]

I, Marc A. Ott, Manager, City of Austin, am providing information to be used by a city, county or local organizing committee for the purposes of receiving funding through the Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund ("the Act"), and hereby swear and affirm that, to the best of my knowledge, any data provided is true and accurate, and any projections made are based on reasonable assumptions documented in the information provided. I further swear and affirm that I have reviewed the information being submitted, and that all of the statements made and information provided herein, including statements made and information provided in any attachments are true, complete, and correct, to the best of my knowledge. Information provided includes but is not limited to an economic impact study or other data sufficient for the Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: 2015 Formula 1 U.S. Grand Prix Race Event on these dates: October 23 through 25, 2015 and that the information will be provided by the city, county or local organizing committee as a government document

I understand that it is a felony offense under Section 37.10, Texas Penal Code, to knowingly make a false entry in, or false alteration of, a governmental record, or to make, present, or use a governmental record with knowledge of its falsity, when the actor has the intent to harm or defraud another.

I understand that the offense of perjury, under Section 37.02, Texas Penal Code, is committed when a person, with intent to deceive and with knowledge of the statement's meaning, makes a false statement under oath or swears to the truth of a false statement previously made and the statement is required or authorized by law to be made under oath.

I understand my obligation to provide information about event expectations, performance, and expenses that are true and accurate to the best of my knowledge and ability. I also understand my obligation to immediately report any known or suspected waste, fraud, and abuse of funds received under the Act to the Texas State Auditor's Office at 1-800-892-8348. I hereby swear and affirm that I have read the entire affidavit, and I understand its contents.

[Handwritten Signature]
Affiant Signature
City Manager, City of Austin
Title and Name of Organization

Marc A. Ott
Printed Name
9/3/2015
Date

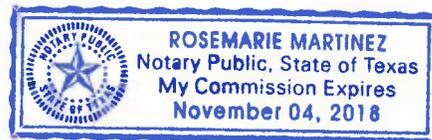
Sworn and subscribed before me by the said

Marc A. Ott
(Printed Name of Recipient's Authorized Representative)

this 3 day of September, 2015.

Notary Public, State of Texas

Notary's printed name: Rose Marie Martinez My commission expires: 11/4/2018 (Seal)





Affidavit to be COMPLETED by any party(ies) providing economic data to support a request for a Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund

AFFIDAVIT

[Affidavit to be signed and sworn (notarized) by anyone providing information to be used in the estimate of the incremental tax increase]

I, Wayne S. Hollingsworth, Secretary, am providing information to be used by a city, county or local organizing committee for the purposes of receiving funding through the Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund ("the Act"), and hereby swear and affirm that, to the best of my knowledge, any data provided is true and accurate, and any projections made are based on reasonable assumptions documented in the information provided. I further swear and affirm that I have reviewed the information being submitted, and that all of the statements made and information provided herein, including statements made and information provided in any attachments are true, complete, and correct, to the best of my knowledge. Information provided includes but is not limited to an economic impact study or other data sufficient for the Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: 2015 Formula 1 U.S. Grand Prix Race Event on these dates: October 23 through 25, 2015 and that the information will be provided by the city, county or local organizing committee as a government document

I understand that it is a felony offense under Section 37.10, Texas Penal Code, to knowingly make a false entry in, or false alteration of, a governmental record, or to make, present, or use a governmental record with knowledge of its falsity, when the actor has the intent to harm or defraud another.

I understand that the offense of perjury, under Section 37.02, Texas Penal Code, is committed when a person, with intent to deceive and with knowledge of the statement's meaning, makes a false statement under oath or swears to the truth of a false statement previously made and the statement is required or authorized by law to be made under oath.

I understand my obligation to provide information about event expectations, performance, and expenses that are true and accurate to the best of my knowledge and ability. I also understand my obligation to immediately report any known or suspected waste, fraud, and abuse of funds received under the Act to the Texas State Auditor's Office at 1-800-892-8348. I hereby swear and affirm that I have read the entire affidavit, and I understand its contents.

Wayne S. Hollingsworth

Printed Name

Affiant Signature
Wayne S. Hollingsworth, Secretary of Circuit Events Local
Organizing Committee, on behalf of such non-profit corporation
Title and Name of Organization

9/2/2015

Date

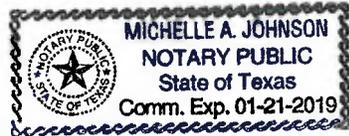
Sworn and subscribed before me by the said

Wayne S. Hollingsworth

(Printed Name of Recipient's Authorized Representative)

this 2nd day of SEPTEMBER, 2015

Notary Public, State of Texas



Notary's printed name: _____ My commission expires: _____ (Seal)



Affidavit to be COMPLETED by any party(ies) providing economic data to support a request for a Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund

AFFIDAVIT

[Affidavit to be signed and sworn (notarized) by anyone providing information to be used in the estimate of the incremental tax increase]

I, Don Hoyte, am providing information to be used by a city, county or local organizing committee for the purposes of receiving funding through the Major Events Trust Fund, Events Trust Fund, or Motor Sports Trust Fund ("the Act"), and hereby swear and affirm that, to the best of my knowledge, any data provided is true and accurate, and any projections made are based on reasonable assumptions documented in the information provided. I further swear and affirm that I have reviewed the information being submitted, and that all of the statements made and information provided herein, including statements made and information provided in any attachments are true, complete, and correct, to the best of my knowledge. Information provided includes but is not limited to an economic impact study or other data sufficient for the Comptroller's office to make the determination of the incremental increase in tax revenue associated with hosting the event in Texas, including a listing of any data for any related activities;

I understand that the city, county or local organizing committee is receiving funding under the Act for the purposes of facilitating this event: 2015 Formula 1 U.S. Grand Prix Race Event on these dates: October 23 through 25, 2015 and that the information will be provided by the city, county or local organizing committee as a government document

I understand that it is a felony offense under Section 37.10, Texas Penal Code, to knowingly make a false entry in, or false alteration of, a governmental record, or to make, present, or use a governmental record with knowledge of its falsity, when the actor has the intent to harm or defraud another.

I understand that the offense of perjury, under Section 37.02, Texas Penal Code, is committed when a person, with intent to deceive and with knowledge of the statement's meaning, makes a false statement under oath or swears to the truth of a false statement previously made and the statement is required or authorized by law to be made under oath.

I understand my obligation to provide information about event expectations, performance, and expenses that are true and accurate to the best of my knowledge and ability. I also understand my obligation to immediately report any known or suspected waste, fraud, and abuse of funds received under the Act to the Texas State Auditor's Office at 1-800-892-8348. I hereby swear and affirm that I have read the entire affidavit, and I understand its contents.

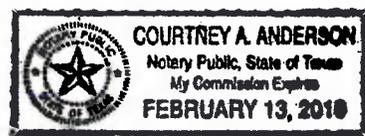
[Signature]
Affiant Signature

Don Hoyte
Printed Name

TexasTrustFunds.com
Title and Name of Organization

8/19/15
Date

Sworn and subscribed before me by the said _____
(Printed Name of Recipient's Authorized Representative)



this 19 day of August, 2015.

Notary Public, State of Texas

[Signature]

Notary's printed name: Courtney Anderson My commission expires: Feb. 13, 2019 (Seal)



10 July 2012

Mr Wayne Hollingsworth
Director
Circuit Events Local Organizing Committee
100 Congress Avenue, Suite 1300
Austin, Texas 78701-2744

Dear Mr Hollingsworth

Re: United States Grand Prix -- Selection of the City of Austin

I am writing to confirm the selection of the City of Austin as the site of the upcoming Formula 1 United States Grand Prix, which will be held on November 16-18, 2012 at the permanent race facility owned by Circuit of the Americas, LLC ("*COTA*"), and to offer some background concerning the selection process.

As early as 2007, I began conferring with cities interested in becoming the site for the United States Grand Prix. Several U.S. cities and locations demonstrated an interest in hosting the event and provided compelling proposals to that effect. The FIA Formula One World Championship (the "*Championship*") is a global sporting event, places on the annual calendar are limited and Formula One Management Ltd. ("*FOML*") has also received strong interest from cities and locations outside the United States that are desirous of staging a round of the Championship. In 2010, Full Throttle Productions, LP ("*Full Throttle*") submitted an application to host the United States Grand Prix at a new facility to be constructed near the City of Austin. After carefully weighing Austin's suitability against that of the other interested cities, in the United States and elsewhere, FOML selected Austin as the location for the United States Grand Prix to be a round of the Championship from 2012 to 2021.

FOML entered into contracts with Full Throttle granting it the rights to promote the United States Grand Prix. Beginning in mid-2011, it became apparent that Full Throttle was having difficulty meeting its obligations, ultimately resulting in the termination of the Austin selection and the related contracts. Construction on the COTA facility was stopped in November 2011. At that time, although competition for an FIA FORMULA ONE WORLD CHAMPIONSHIP was substantial and we had the opportunity to give Austin's place on the 2012 calendar to another location, as the issues that caused FOML to revoke Austin's previous selection were resolved, we evaluated Circuit Events Local Organizing Committee's application and again selected Austin to stage a round of the Championship. We then entered into new contracts for the promotion of the event with COTA.

The fact that Austin was selected, after a highly competitive selection process, to host a round of the FIA FORMULA ONE WORLD CHAMPIONSHIP in the United States and then reselected in late 2011 as our chosen location for a round of the Championship says much about support for the event in the region and our view that Austin is a very desirable location. FOML believes that Austin will be a very successful venue for the United States Grand Prix, and we are looking forward to the inaugural event in November and to many successful events in the future at the new COTA facility.

Yours sincerely



Bernie Ecclestone
Chief Executive Officer
Formula One Management Limited

APPENDIX B



OFFICE OF THE GOVERNOR
ECONOMIC DEVELOPMENT & TOURISM

GREG ABBOTT
GOVERNOR

October 16, 2015

Mr. Wayne S. Hollingsworth, Director
Circuit Events Local Organizing Committee
100 Congress Ave
Austin, TX 78701

Dear Mr. Hollingsworth:

The Office of the Governor (OOG) has completed an additional review of the application and economic information submitted by the Circuit Events Local Organizing Committee for the establishment of a Major Events Reimbursement Fund relating to the 2015 Formula 1 United States Grand Prix (the "event"). As a result, we have revised the estimate of the incremental increase in tax revenues generated by the event.

In our letter dated September 30, 2015, the estimated amount of incremental tax receipts to the state resulting from the event excluded certain tax revenues generated from event ticket sales. Subsequent to that letter, through consultation with the OOG's Office of General Counsel and conversations with the State Auditor's Office, we have confirmed there is a legal justification for including the additional direct incremental increase in state sales tax revenues generated from ticket sales in our estimate; primarily due to the fact that the ticket sales are not final until race day and are held as deferred revenue until that time. This approach is consistent with both the statute and SAO audit recommendations. The new estimated amount below reflects the addition of these sales.

Based on the representations and the information submitted and certified in the application, the event meets the eligibility requirements set by the Texas Legislature in article 5190.14 of the Texas Revised Civil Statutes. Establishment of an Event Trust Fund is therefore required by law, and upon receipt of the local share, a fund will be established as follows:

- Event: **2015 Formula 1 United States Grand Prix – Project Code 161003**
- Location: **Austin, TX**
- Market Area: **Austin Metropolitan Area**
- Venue: **The Circuit of the Americas**
- Date(s): **October 23-25, 2015**
- Estimated incremental increase in tax revenue to the State of Texas is **\$19,592,417** or 6.25 times the amount of local revenue retained or remitted to the Texas Comptroller of Public Accounts as local funds from eligible endorsing municipalities.



- Local funds required: **\$3,134,787**
- **Total contribution to the Event Trust Fund established for this event: \$22,727,204**
- Attendance metric used to estimate the incremental increase in tax revenue: **92,285**

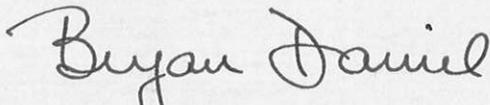
Following the event, you will need to complete and submit the Attendance Certification Form, which is enclosed for your convenience. The Attendance Certification Form and supporting documentation must be submitted no later than 45 calendar days after the conclusion of the event.

The local funds must be submitted no later than 90 calendar days after the conclusion of the event. If the funds for the local share amount are not submitted by the 90-day deadline, the Event Trust Fund will not be available for disbursement. The deposit instructions for the local funds are enclosed.

To initiate a disbursement from an Event Trust Fund, a Disbursement Request Form, Disbursement Request Worksheet and all supporting documentation must be submitted no later than 180 calendar days after the conclusion of the event. The establishment of an Event Trust Fund does not entitle or guarantee that disbursements from the fund will be available for the reimbursement of any particular expenditure relating to the event. All disbursements will be subject to the requirements of article 5190.14 of the Texas Revised Civil Statutes, the Event Fund Program Administrative Rules under Title 10, Chapter 184 of the Texas Administrative Code, and the policies and guidelines of the Office of Economic Development and Tourism within the Office of the Governor, including timely submittal of the Attendance Certification Form, local funds, Disbursement Request Form, and other documentation as required.

Thank you for bringing this event to the State of Texas. If you have further questions, please contact the Office of Economic Development and Tourism at eventsfund@gov.texas.gov or (512) 936-0100.

Sincerely,

A handwritten signature in cursive script that reads "Bryan Daniel".

Bryan Daniel, Executive Director
Office of Economic Development & Tourism
Office of the Governor

APPENDIX C



OFFICE OF THE GOVERNOR
ECONOMIC DEVELOPMENT & TOURISM

GREG ABBOTT
GOVERNOR

ATTENDANCE CERTIFICATION

(Must be submitted no later than 45 days after conclusion of the event):

Event application submittal date:	September 4, 2015
Economic Development and Tourism (EDT) event application approval date:	September 30, 2015
Attendance Certification to be submitted to EDT no later than forty-five (45) days after the event date:	December 9, 2015
The attendance metric* identified by EDT to evaluate the estimated number of event attendees as part of the calculations for the incremental tax impact:	92,285

* If Applicant has questions or concerns about how this metric was developed, please contact us within 10 days of fund approval letter

To be completed by the Applicant:

Event Name: 2015 Formula One United States Grand Prix

The **estimated** TOTAL attendance at the PRIMARY EVENT was: 100,286¹

The estimated attendees NOT residents of Texas for the PRIMARY EVENT was: 50,710¹

Source(s) and methodology used to obtain attendance totals. The following methods will be accepted: ticket sales count, turnstile count, ticket scan count, convention attendee count, or participant totals (must be accompanied by ticket or turnstile count for MERP & MSRTF). If you are submitting another method, it should have previously been approved by EDT. Estimates are based solely on estimated ticketing and attendance information provided by Circuit of the Americas to the undersigned.

- I understand that non-compliance with reporting requirements could be treated as a violation of the statute and/or program rules resulting in the possible withholding of disbursement funding.
- I understand that it is a felony offense under Section 37.10, Texas Penal Code, to knowingly make a false entry in, or false alteration of, a governmental record, or to make, present, or use a governmental record with knowledge of its falsity, when the actor has the intent to harm or defraud another.
- I understand my obligation to provide information about event expectations and performance that are true and accurate to the best of my knowledge and ability. I also understand my obligation to immediately report any known or suspected waste, fraud, and abuse of funds received under the Act to the Texas State Auditor’s Office at 1-800-892-8348.

{W0673094 1}





OFFICE OF THE GOVERNOR
ECONOMIC DEVELOPMENT & TOURISM

GREG ABBOTT
GOVERNOR

Authorized Official (must be signed by event application signatory or successor):

A handwritten signature in blue ink, which appears to read "Wayne S. Hollingsworth", is written over a horizontal line. The signature is enclosed in a blue oval.

Signature

Wayne S. Hollingsworth
Printed Name

Director and Secretary
Circuit Events Local Organizing Committee

Title and Name of Organization

December 9, 2015
Date

Submit the signed Attendance Certification to the Office of the Governor, Economic Development and Tourism at eventsfund@gov.texas.gov

¹ Estimated total attendance is based on preliminary ticket sales data, on-site surveys and data from a post-event electronic survey of ticket buyers, and out-of-state attendees for the primary event are estimated at 50.57% of total attendees or 50,710 non-resident attendees. This initial data is subject to change with on-going survey efforts and receipt of data collected during and after the event, which is not yet available.