



[Draft] Re: City of Everett - Stadium Rebate Bill Income

From**Draft saved** Fri 1/9/2026 10:47 PM**To** Dan Eernisse <DEernisse@everettwa.gov>**Cc** Cassie Franklin <CFranklin@everettwa.gov>; Jennifer Gregerson <JGregerson@everettwa.gov>; DL-Council <Council@everettwa.gov>**From:** john martin <jmartinnoj@hotmail.com>**Sent:** Monday, April 7, 2025 7:31 PM**To:** Dan Eernisse <DEernisse@everettwa.gov>**Cc:** Cassie Franklin <CFranklin@everettwa.gov>; Jennifer Gregerson <JGregerson@everettwa.gov>; DL-Council <Council@everettwa.gov>**Subject:** Re: City of Everett - Stadium Rebate Bill Income

Dear Mayor Cassie Franklin, Everett City Council, and the Director of Economic Development Dan Eernisse,

Thank you for your email and you are correct!

The Stadium Rebate Bill applies to only Major League Baseball or National Football League teams - The Seattle Mariners and the Seattle Seahawks. They collect a sales tax from T-Mobile USA, a subsidiary of Deutsche Telekom, and Lumen Technologies, a global networking company headquartered in Louisiana.

But you are incorrect when you say the Stadium Rebate Bill "...will not apply in Everett."

T-Mobile Park and Lumen Field were both built using federally tax-exempt bonds.

Between 2000 and 2016, the federal government subsidized newly constructed or majorly renovated professional sports stadiums to the tune of \$3.2 billion federal taxpayer dollars.

That amounts to \$111,000 dollars for the City of Everett, \$792,000 dollars for the Second Congressional District, and \$7.8 million dollars for the State of Washington per year.*

Can we get our money back?

Some of it.

A Rebate -- \$6.5 million dollars per year or \$26 million dollars over the next four years.

The Washington House of Representatives and Governor Ferguson are currently facing a \$15 billion budget shortfall and trying to negotiate a balanced budget.

The Stadium Rebate Bill income - tax revenue collected by Major League Baseball or National Football League teams - would help.

This income should be included in budget negotiations.

I encourage you, Mayor Franklin, and the Everett City Council to contact your State Representative, Senator June Robinson, chair of the Senate Ways and Means Committee, and ask her to include the Washington State Stadium Naming Rights Rebate Tax Bill in budget negotiations.

I hope you and other citizens support the Stadium Rebate Bill with a call or email to your State Representative.

Thank you again for your thoughtful letter.

Best regards,

John E Martin
425-361-2854
jmartinnoj@hotmail.com
Bcc: Various Citizens and media outlets
*See bottom of this email
=====

From: Dan Eernisse <DEernisse@everettwa.gov>
Sent: Monday, March 31, 2025 12:59 PM
To: jmartinnoj@hotmail.com <jmartinnoj@hotmail.com>
Cc: Cassie Franklin <CFranklin@everettwa.gov>; Jennifer Gregerson <JGregerson@everettwa.gov>; DL-Council <Council@everettwa.gov>
Subject: City of Everett - Stadium Rebate Bill Income

Category 2: Sensitive information

Dear Mr. Martin,

Thank you for reaching out to the City of Everett council and mayor. Mayor Cassie Franklin asked that I prepare a response to your email regarding the Stadium Rebate Bill.

The City of Everett is actively working on a new multipurpose outdoor facility that will be home to the Everett AquaSox minor league baseball team as well as both a women's and men's minor league soccer team in the United Soccer League. From the email you sent, we understand that the proposed legislation will not apply in Everett, as none of the three proposed teams will be Major League Baseball or National Football League teams.

Thank you again for engaging with the City of Everett. Please don't hesitate to reach out to me directly with further questions or concerns.

Sincerely,

Dan Eernisse

Director | Economic Development
+1.425.257.8681 | 2930 Wetmore Ave, Ste 10A, Everett, WA 98201
everettwa.gov | [Facebook](#) | [Twitter](#)



Note: Emails and attachments sent to and from the City of Everett are public records and may be subject to disclosure pursuant to the Public Records Act.

Category 2: For official use only / disclosure permissible by law.

From: john martin <jmartinnoj@hotmail.com>

Sent: Friday, March 28, 2025 8:30 AM

To: Scott Bader <SBader@everettwa.gov>; Cassie Franklin <CFranklin@everettwa.gov>; Judy Tuohy <JTuhoy@everettwa.gov>; Mary Fosse <MFosse@everettwa.gov>; Angela Ely <AEly@everettwa.gov>; DL-Council <Council@everettwa.gov>; Paula Rhyne <PRhyne@everettwa.gov>; Donald Schwab <DSchwab@everettwa.gov>; Elizabeth Vogeli <EVogeli@everettwa.gov>; Ben Zarlingo <BZarlingo@everettwa.gov>

Subject: [EXTERNAL] Stadium Rebate Bill Income

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Everett City Council,

Now is a good time to let our professional sports teams help us out by collecting Washington State sales taxes from foreign corporations.

T-Mobile is actually a subsidiary of Deutsche Telekom.

As you may know, we currently face a budget deficit of about \$15 billion dollars.

The Stadium Rebate Tax Bill taxes Major League Professional Sports clubs that sell or rent naming rights (T-Mobile Park and Lumen Field) and then returns the tax revenue to municipal and state governments.

A little extra in sales tax revenue from foreign corporations would be helpful to Washington State citizens.

I encourage you to review the attached Stadium Rebate Bill and contact your State of Washington representative soon.

Thank you,

John E. Martin
425-361-2854
jmartinnoj@hotmail.com

How much money does the naming rights tax produce?

Seattle Mariners rebate tax would be \$2.4 million in 2022 and \$2.6 million in 2023.

The Seattle Seahawks rebate tax would be \$3.6 million in 2022 and \$3.9 million in 2023.

The tax is charged to the owners and/or renters of the naming rights. The tax is collected by the teams - just like a store collects sales tax for items you purchase.

The quality of the teams are not impacted and the teams and the fans still have the same financial chance of winning the World Series or the Super Bowl.

Unless a team offers a special "tax free" deal to the naming rights company, the Stadium Rebate tax does not impact the amount of money available to pay players salaries.

Who pays the tax?

T-Mobile Park.

The stadium rebate sales tax would be charged to T-Mobile USA. Deutsche Telekom owns 51% of T-Mobile USA.

Lumen Field.

The stadium rebate sales tax would be charged to Lumen Technologies, a global networking company headquartered in Louisiana.

How is the rebate tax calculated?

6.5% times the amount the team reports for naming rights: (Money for Naming Rights X 0.065 = the naming rights rebate tax)

OR

The professional team's gross receipts times 10% and the new total times 6.5% (Gross receipts X 0.100 X 0.065 = the naming rights rebate tax)

The actual tax would be calculated using the total gross receipts as reported on Washington State Department of Revenue Combined Excise Tax Returns or the actual income or rent reported for naming rights.

The following 2023 figures were calculated using Statista gross sales figures for both the Mariners and Seahawks.

Seattle Mariners:

Total 2023 Seattle Mariners MLB Revenue \$396,000,000

$\$396,000,000 \times 0.10 = \$39,600,000 \times 0.65 = \$2,574,000$ or \$2.6 million

Seattle Seahawks

Total 2023 Seattle Seahawks Revenue \$600,000,000

$\$600,000,000 \times 0.10 = \$60,000,000 \times 0.65 = \$3,900,000$ or \$3.9 million

Source: Statista

Mariners Source: Statista Dec 11, 2024

<https://www.statista.com/statistics/196682/revenue-of-the-seattle-mariners-since-2006/>

Seahawks Source: Sep 30, 2024

<https://www.statista.com/statistics/195294/revenue-of-the-seattle-seahawks-since-2006/>

I hope this information gives clarity to the Washington State Naming Rights Rebate Tax Bill and encourage you to support it- - today!

=====

The Washington State Stadium Naming Rights Rebate Tax Bill (Stadium Rebate Bill - a proposed bill)

A). Each Major League Baseball club and National Football League team in Washington State shall pay a 6.5% sales tax for professional stadium naming rights sold or rented.

B). Tax collection: The Washington State Department of Revenue shall be responsible for collecting the Stadium Naming Rights Rebate Tax.

The Washington State Department of Revenue shall remit the Stadium Naming Rights tax revenue to the state and municipal governments that issued federally tax-exempt bonds for each stadium.

The Washington State Department of Revenue shall receive the Stadium Naming Rights Rebate Tax on an annual basis using existing Washington State Department of Revenue collection timelines.

D). Valuation of the naming rights shall be determined by whichever is greater:

1). The dollar value stated by the Major League Baseball club or National Football League team

2). The valuation of the naming rights at 10% of the business and occupation total annual gross receipts as reported on the Washington State Department of Revenue Combined Excise Tax Returns.

E). The Penalty for each Major League Baseball club and the Major League Baseball Entity and each National Football League team and the National Football League for failure to pay the tax on time:

Fines: An amount equal to the failed tax payment plus 29% penalty due after the last day of the second month following the return's due date.

After one year, the Washington State Department of Revenue (DOR) shall revoke the business license of the Major League Baseball club for failing to pay taxes. After one year, the Washington State Department of Revenue (DOR) shall revoke the business license of the National Football League team for failing to pay taxes. The business can appeal the revocation to the Administrative Review and Hearings Division.

F). Funding: The Stadium Naming Rights Rebate Tax Bill shall use existing Washington State Department of Revenue funding to implement the law.

Definitions:

The term 'professional stadium' means any facility (or appurtenant real property) which, during at least 5 days during any calendar year, is used as a stadium or arena for professional sports exhibitions, games, or training.

The term National Football League team means any professional football team that is entitled to the benefits, and bound by the terms, of the National Football League.

The term National Football League (NFL) means a professional American football league in the United States. Composed of 32 teams, it is divided equally between the American Football Conference (AFC) and the National Football Conference (NFC).

The term Major League Baseball Club or "Major League Club" means any professional baseball club that is entitled to the benefits, and bound by the terms, of the Major League Baseball Constitution (adopted in 2000, replacing and modeled on the Major League Agreement in effect from 1921 to 2000).

The term Major League Baseball Entity means each of, and "Major League Baseball Entities" means more than one of, the Office of the Commissioner, its Bureaus, Committees, Subcommittees, and Councils, The MLB Network, LLC, MLB Advanced Media, L.P., MLAB Acquisition Corp., SportsOnEarth LLC, Major League Baseball Enterprises, Inc., (doing business in its own name and as Major League Baseball Productions), Major League Baseball Properties, Inc., Baseball Television, Inc. (d/b/a Major League Baseball International), Major League Baseball Clubs, and each of their subsidiaries or Affiliated entities, any entity which, now or in the future, controls, is controlled by, or is under common control with the Major League Baseball Clubs or the Office of the Commissioner of Baseball, and the directors, officers and employees of the above entities, and/or any of their respective present or future affiliates, assigns or successors.

End of text – – The Stadium Naming Rights Rebate Tax Bill.

=====

Prepared By:
John E. Martin

*The federal government has subsidized newly constructed or majorly renovated professional sports stadiums to the tune of \$3.2 billion federal taxpayer dollars between 2000 and 2016. But because high-income bond holders receive a windfall gain for holding municipal bonds, the resulting loss in total revenue to the federal government is even larger at \$3.7 billion and increased to \$4.3 billion in 2022.

Source: Ted Gayer, Austin J. Drukker, and Alexander K. Gold, "Tax-Exempt Municipal Bonds and the Financing of Professional Sports Stadiums," Brookings Institute, September 8, 2016, p. 6, <https://www.brookings.edu/research/why-the-federal-government-should-stop-spending-billions-on-private-sports-stadiums/#revenue-loss>.

The IRS processed 164,997,000 individual tax returns in 2022, and 166,898,000 individual tax returns in 2021. These numbers include tax returns received in the prior year and processed in the reported year.

Source: USA Facts <https://usafacts.org/articles/how-much-money-does-the-government-collect-per-person/>

The population of Washington State Congressional District 2 is estimated at 781,299 (July 1, 2023). 81.2% of the population or 634,099 are 18 and over or generally, federal tax paying age.

The population of Everett is estimated at 111,180 (July 1, 2023). 79.9% of the population or 88,833 are 18 and over or generally, federal tax paying age.

The population of the State of Washington is estimated at 7,812,880 (July 1, 2023). 79.9% of the population or 6,242,491 are 18 and over or generally, federal tax paying age.

<https://www.census.gov/mycd/?st=06&cd=39>

<https://www.census.gov/quickfacts/fact/table/everettcitywashington/PST045224>

<https://www.census.gov/quickfacts/fact/table/WA/PST045223>

***Between 2000 and 2016

\$3.2 billion / 165 million tax payers = \$19.39 or about \$20.00 per tax payer. \$20.00 x 634,099 Washington State Congressional District 2 tax payers = \$12,681,980 / 16 years = \$792,624 thousand dollars paid by Washington State Congressional District 2 tax payers per year.

\$3.7 billion / 165 million tax payers = \$22.42 or about \$22.00 per tax payer. \$22.00 x 634,099 Washington State Congressional District 2 tax payers = \$13,950,178 / 16 years = \$871,886 thousand dollars paid by Washington State Congressional District 2 tax payers per year.

\$3.2 billion / 165 million tax payers = \$19.39 or about \$20.00 per tax payer. \$20.00 x 88,832 Everett, Washington tax payers = \$1,776,640 / 16 years = \$111,040 thousand dollars paid by Everett, Washington tax payers per year.

\$3.2 billion / 165 million tax payers = \$19.39 or about \$20.00 per tax payer. \$20.00 x 6,242,491 Washington State tax payers = \$124,849,820 / 16 years = \$7,803,133 dollars paid by Washington State tax payers per year.

10 Washington State Congressional Districts / \$7,803,133 dollars paid by Washington State = \$780,000 per District per year.

=====