

PARA Proposal - Head Tax Reduction for State Level Races

Revision date of proposal: 4/14/23

Introduced by: Charles Donnellan

Background:

PARA currently charges a \$9 head tax per racer per day for State events, and \$100 per calendar day race fee for non-State events. The \$9 head tax was instituted when each age group had regional qualification and a weekend Derby with limited field size. Since then, our State race structures have changed, and the U16+ age groups all race a three weekend race series with an open registration format. In order to help reduce the cost of racing and align the head tax cost structure with PARA's current State level race structure, the head tax should be reduced.

Proposal:

Reduce the PARA State event head tax down from \$9 to \$5 per racer per day.

Financial Impact:

Based on the 2023 field sizes at the State level events, here is what the impact on PARA's revenue would be:

Race Days	# Racers 2023	Head Tax @ \$9	Head Tax @ \$5
U12 States - Saturday	89	\$801	\$445
U12 States - Sunday	88	\$792	\$440
U14 States - Saturday	84	\$756	\$420
U14 States - Sunday	85	\$765	\$425
U16 Series 1	174	\$1,566	\$870
U16 Series 2	166	\$1,494	\$830
U16 Series 3	157	\$1,413	\$785
U16 Series 4	159	\$1,431	\$795
U16 Series 5	88	\$792	\$440
U16 Series 6	176	\$1,584	\$880
U16 Series 7	174	\$1,566	\$870
PA Cup 1	101	\$909	\$505
PA Cup 2	103	\$927	\$515
PA Cup 3	100	\$900	\$500

PA Cup 4	132	\$1,188	\$660
PA Cup 5	126	\$1,134	\$630
PA Cup 6	91	\$819	\$455
PA Cup 7	99	\$891	\$495
PA Cup 8	103	\$927	\$515
Total	2,295	\$20,655	\$11,475

The following table details the historical PARA head taxes collected back to 2016. The PARA financial ledgers were not available on the PARA website prior to 2016, nor 2017 and 2019. Note that the head tax revenue have gone up significantly with the change in our state level racing structures.

Head Tax	2016	2017	2018	2019	2020	2021	2022	2023
PA Cups	\$7,849		\$7,111		\$8,703	\$0	\$7,326	\$7,695
U16	\$756		\$2,286		\$2,169	\$0	\$7,605	\$9,846
U14	\$1,440		\$1,530		\$1,530	\$0	\$1,566	\$1,521
U12	\$747		\$1,584		\$1,620	\$0	\$1,530	\$1,593
Total	\$10,792		\$12,511		\$14,022	\$0	\$18,027	\$20,655