

9003

2009-2010 Regular Sessions

I N   A S S E M B L Y

June 18, 2009

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Introduced by M. of A. GUNTHER -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to capital awards to vendor tracks

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. Clause (H) of subparagraph (ii) of paragraph 1 of subdivi-  
2     sion b of section 1612 of the tax law, as amended by section 1 of part  
3     O-1 of chapter 57 of the laws of 2009, is amended to read as follows:  
4     (H) notwithstanding clauses (A), (B), (C), (D), (E), (F) and (G) of  
5     this subparagraph, the track operator of a vendor track shall be eligi-  
6     ble for a vendor's capital award of up to four percent of the total  
7     revenue wagered at the vendor track after payout for prizes pursuant to  
8     this chapter, which shall be used exclusively for capital project  
9     investments to improve the facilities of the vendor track which promote  
10    or encourage increased attendance at the video lottery gaming facility  
11    including, but not limited to hotels, other lodging facilities, enter-  
12    tainment facilities, retail facilities, dining facilities, events  
13    arenas, parking garages and other improvements that enhance facility  
14    amenities; provided that such capital investments shall be approved by  
15    the division, in consultation with the state racing and wagering board,  
16    and that such vendor track demonstrates that such capital expenditures  
17    will increase patronage at such vendor track's facilities and increase  
18    the amount of revenue generated to support state education programs. The  
19    annual amount of such vendor's capital awards that a vendor track shall  
20    be eligible to receive shall be limited to two million five hundred  
21    thousand dollars, except for Aqueduct racetrack, for which there shall  
22    be no vendor's capital awards. Except for tracks having less than one  
23    thousand one hundred video gaming machines, each track operator shall be  
24    required to co-invest an amount of capital expenditure equal to its  
25    cumulative vendor's capital award. For all tracks, except for Aqueduct

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

LBD14441-01-9

1 racetrack, the amount of any vendor's capital award that is not used  
2 during any one year period may be carried over into subsequent years  
3 ending before April first, two thousand thirteen. Any amount attribut-  
4 able to a capital expenditure approved prior to April first, two thou-  
5 sand thirteen and completed before April first, two thousand fifteen  
6 shall be eligible to receive the vendor's capital award. In the event  
7 that a vendor track's capital expenditures, approved by the division  
8 prior to April first, two thousand thirteen and completed prior to April  
9 first, two thousand fifteen, exceed the vendor track's cumulative capi-  
10 tal award during the five year period ending April first, two thousand  
11 thirteen, the vendor shall continue to receive the capital award after  
12 April first, two thousand thirteen until such approved capital expendi-  
13 tures are paid to the vendor track subject to any required co-invest-  
14 ment. In no event shall any vendor track that receives a vendor fee  
15 pursuant to clause [(F) or] (G) of this subparagraph be eligible for a  
16 vendor's capital award under this section. Any operator of a vendor  
17 track which has received a vendor's capital award, choosing to divest  
18 the capital improvement toward which the award was applied, prior to the  
19 full depreciation of the capital improvement in accordance with general-  
20 ly accepted accounting principles, shall reimburse the state in amounts  
21 equal to the total of any such awards. Any capital award not approved  
22 for a capital expenditure at a video lottery gaming facility by April  
23 first, two thousand thirteen shall be deposited into the state lottery  
24 fund for education aid; and  
25 S 2. This act shall take effect immediately.