

7753

I N S E N A T E

June 5, 2014

Introduced by Sen. SEWARD -- read twice and ordered printed, and when printed to be committed to the Committee on Racing, Gaming and Wagering

AN ACT to amend the tax law, in relation to video lottery gaming

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

1 Section 1. Paragraph 4 of subdivision a of section 1617-a of the tax
2 law, as added by chapter 174 of the laws of 2013, is amended to read as
3 follows:
4 (4) at a maximum of [two] SIX facilities, ONE EACH IN THE SUFFOLK
5 REGION AND THE NASSAU REGION, neither to exceed one thousand video
6 lottery gaming devices, established within region three of zone one as
7 defined by section one thousand three hundred ten of the racing, pari-
8 mutuel wagering and breeding law, one each operated by a corporation
9 established pursuant to section five hundred two of the racing, pari-mu-
10 tuel wagering and breeding law in the Suffolk region and the Nassau
11 region to be located within a facility authorized pursuant to sections
12 one thousand eight or one thousand nine of the racing, pari-mutuel
13 wagering and breeding law, AND FOUR FACILITIES, TWO EACH IN SULLIVAN AND
14 ULSTER COUNTIES, NONE TO EXCEED FIVE HUNDRED VIDEO LOTTERY GAMING
15 DEVICES, EACH OPERATED BY A CORPORATION ESTABLISHED PURSUANT TO SECTION
16 FIVE HUNDRED TWO OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW TO
17 BE LOCATED WITHIN A FACILITY AUTHORIZED PURSUANT TO SECTIONS ONE THOU-
18 SAND EIGHT OR ONE THOUSAND NINE OF THE RACING, PARI-MUTUEL WAGERING AND
19 BREEDING LAW. IN RESPECT TO THE SULLIVAN AND ULSTER COUNTY FACILITIES,
20 CATSKILL OFF-TRACK BETTING CORPORATION WILL BE THE GAMING OPERATOR AND A
21 LOCAL RESOLUTION IN SUPPORT OF THE FACILITY WILL BE REQUIRED. ADDI-
22 TIONALLY, IN RESPECT TO THE SULLIVAN AND ULSTER COUNTY FACILITIES, THE
23 FACILITIES MUST BE DESTINATION RESORT PROPERTIES WITH AT LEAST ONE
24 HUNDRED HOTEL ROOMS, HAVE SIGNIFICANT RESORT AMENITIES, BE CURRENTLY
25 OPEN AND OPERATING, AND HAVE BEEN IN CONTINUOUS OPERATION FOR NO LESS
26 THAN THE PAST THREE YEARS. The facilities authorized pursuant to this
27 paragraph shall be deemed vendors for all purposes under this article.
28 S 2. Clause (G-1) of subparagraph (ii) of paragraph 1 of subdivision b
29 of section 1612 of the tax law, as amended by chapter 175 of the laws of
30 2013, is amended to read as follows:

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

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(G-1) Notwithstanding [clause] CLAUSES (A) and (B) of this subparagraph, when a video lottery gaming facility is located in [either] the [county] COUNTIES of Nassau [or], Suffolk, SULLIVAN OR ULSTER and is operated by a corporation established pursuant to section five hundred two of the racing, pari-mutuel wagering and breeding law at a rate of thirty-five percent of the total revenue wagered at the vendor after payout for prizes pursuant to this chapter;

S 3. Paragraph 2 of subdivision b of section 1612 of the tax law, as amended by section 1 of part 00 of chapter 59 of the laws of 2014, is amended to read as follows:

2. As consideration for the operation of a video lottery gaming facility, the division, shall cause the investment in the racing industry of a portion of the vendor fee received pursuant to paragraph one of this subdivision in the manner set forth in this subdivision. With the exception of Aqueduct racetrack or a facility in the [county] COUNTIES of Nassau [or], Suffolk, SULLIVAN OR ULSTER operated by a corporation established pursuant to section five hundred two of the racing, pari-mutuel wagering and breeding law, each such track shall dedicate a portion of its vendor fees, received pursuant to clause (A), (B), (C), (D), (E), (F), or (G) of subparagraph (ii) of paragraph one of this subdivision, for the purpose of enhancing purses at such track, in an amount equal to eight and three-quarters percent of the total revenue wagered at the vendor track after pay out for prizes. One percent of the gross purse enhancement amount, as required by this subdivision, shall be paid to the gaming commission to be used exclusively to promote and ensure equine health and safety in New York. Any portion of such funding to the gaming commission unused during a fiscal year shall be returned to the video lottery gaming operators on a pro rata basis in accordance with the amounts originally contributed by each operator and shall be used for the purpose of enhancing purses at such track. One and one-half percent of the gross purse enhancement amount at a thoroughbred track, as required by this subdivision, shall be paid to an account established pursuant to section two hundred twenty-one-a of the racing, pari-mutuel wagering and breeding law to be used exclusively to provide health insurance for jockeys. In addition, with the exception of Aqueduct racetrack or a facility in the [county] COUNTIES of Nassau [or], Suffolk, SULLIVAN OR ULSTER operated by a corporation established pursuant to section five hundred two of the racing, pari-mutuel wagering and breeding law, one and one-quarter percent of total revenue wagered at the vendor track after pay out for prizes, received pursuant to clause (A), (B), (C), (D), (E), (F), or (G) of subparagraph (ii) of paragraph one of this subdivision, shall be distributed to the appropriate breeding fund for the manner of racing conducted by such track.

S 4. The opening paragraph of subdivision f-1 of section 1612 of the tax law, as amended by chapter 175 of the laws of 2013, is amended to read as follows:

As consideration for operation of video lottery gaming facility located in the [county] COUNTIES of Nassau [or], Suffolk, SULLIVAN OR ULSTER and operated by a corporation established pursuant to section five hundred two of the racing, pari-mutuel wagering and breeding law, the division shall cause the investment in the racing industry of the following percentages of the vendor fee to be deposited or paid as follows:

S 5. This act shall take effect immediately.