

7753--A

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 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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] FOUR 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 TWO FACILITIES IN ULSTER COUNTY, NONE TO
14 EXCEED FIVE HUNDRED VIDEO LOTTERY GAMING DEVICES, EACH OPERATED BY A
15 CORPORATION ESTABLISHED PURSUANT TO SECTION FIVE HUNDRED TWO OF THE
16 RACING, PARI-MUTUEL WAGERING AND BREEDING LAW TO BE LOCATED WITHIN A
17 FACILITY AUTHORIZED PURSUANT TO SECTIONS ONE THOUSAND EIGHT OR ONE THOU-
18 SAND NINE OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW. IN
19 RESPECT TO THE ULSTER COUNTY FACILITIES, CATSKILL OFF-TRACK BETTING
20 CORPORATION WILL BE THE GAMING OPERATOR AND A LOCAL RESOLUTION IN
21 SUPPORT OF THE FACILITY WILL BE REQUIRED. ADDITIONALLY, IN RESPECT TO
22 THE ULSTER COUNTY FACILITIES, THE FACILITIES MUST BE DESTINATION RESORT
23 PROPERTIES WITH AT LEAST ONE HUNDRED HOTEL ROOMS, HAVE SIGNIFICANT
24 RESORT AMENITIES, BE CURRENTLY OPEN AND OPERATING, AND HAVE BEEN IN
25 CONTINUOUS OPERATION FOR NO LESS THAN THE PAST THREE YEARS. The facili-
26 ties authorized pursuant to this paragraph shall be deemed vendors for
27 all purposes under this article.

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

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1 S 2. Clause (G-1) of subparagraph (ii) of paragraph 1 of subdivision b
2 of section 1612 of the tax law, as amended by chapter 175 of the laws of
3 2013, is amended to read as follows:

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

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

14 2. As consideration for the operation of a video lottery gaming facil-
15 ity, the division, shall cause the investment in the racing industry of
16 a portion of the vendor fee received pursuant to paragraph one of this
17 subdivision in the manner set forth in this subdivision. With the
18 exception of Aqueduct racetrack or a facility in the [county] COUNTIES
19 of Nassau [or], Suffolk OR ULSTER operated by a corporation established
20 pursuant to section five hundred two of the racing, pari-mutuel wagering
21 and breeding law, each such track shall dedicate a portion of its vendor
22 fees, received pursuant to clause (A), (B), (C), (D), (E), (F), or (G)
23 of subparagraph (ii) of paragraph one of this subdivision, for the
24 purpose of enhancing purses at such track, in an amount equal to eight
25 and three-quarters percent of the total revenue wagered at the vendor
26 track after pay out for prizes. One percent of the gross purse enhance-
27 ment amount, as required by this subdivision, shall be paid to the
28 gaming commission to be used exclusively to promote and ensure equine
29 health and safety in New York. Any portion of such funding to the gaming
30 commission unused during a fiscal year shall be returned to the video
31 lottery gaming operators on a pro rata basis in accordance with the
32 amounts originally contributed by each operator and shall be used for
33 the purpose of enhancing purses at such track. One and one-half percent
34 of the gross purse enhancement amount at a thoroughbred track, as
35 required by this subdivision, shall be paid to an account established
36 pursuant to section two hundred twenty-one-a of the racing, pari-mutuel
37 wagering and breeding law to be used exclusively to provide health
38 insurance for jockeys. In addition, with the exception of Aqueduct race-
39 track or a facility in the [county] COUNTIES of Nassau [or], Suffolk OR
40 ULSTER operated by a corporation established pursuant to section five
41 hundred two of the racing, pari-mutuel wagering and breeding law, one
42 and one-quarter percent of total revenue wagered at the vendor track
43 after pay out for prizes, received pursuant to clause (A), (B), (C),
44 (D), (E), (F), or (G) of subparagraph (ii) of paragraph one of this
45 subdivision, shall be distributed to the appropriate breeding fund for
46 the manner of racing conducted by such track.

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

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

56 S 5. This act shall take effect immediately.