

2207

2015-2016 Regular Sessions

I N   A S S E M B L Y

January 15, 2015

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Introduced by M. of A. GUNTHER, ROBERTS -- Multi-Sponsored by -- M. of  
A. COOK -- 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 ASSEM-  
BLY, 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     BB of chapter 59 of the laws of 2014, 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, and except for a vendor  
24    track located west of State Route 14 from Sodus Point to the Pennsylva-  
25    nia border within New York, each track operator shall be required to

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

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1 co-invest an amount of capital expenditure equal to its cumulative  
2 vendor's capital award. For all tracks, except for Aqueduct racetrack,  
3 the amount of any vendor's capital award that is not used during any one  
4 year period may be carried over into subsequent years ending before  
5 April first, two thousand [fifteen] SIXTEEN. Any amount attributable to  
6 a capital expenditure approved prior to April first, two thousand  
7 [fifteen] SIXTEEN and completed before April first, two thousand [seven-  
8 teen] EIGHTEEN; or approved prior to April first, two thousand [nine-  
9 teen] TWENTY and completed before April first, two thousand [twenty-one]  
10 TWENTY-TWO for a vendor track located west of State Route 14 from Sodus  
11 Point to the Pennsylvania border within New York, shall be eligible to  
12 receive the vendor's capital award. In the event that a vendor track's  
13 capital expenditures, approved by the division prior to April first, two  
14 thousand [fifteen] SIXTEEN and completed prior to April first, two thou-  
15 sand [seventeen] EIGHTEEN, exceed the vendor track's cumulative capital  
16 award during the five year period ending April first, two thousand  
17 [fifteen] SIXTEEN, the vendor shall continue to receive the capital  
18 award after April first, two thousand [fifteen] SIXTEEN until such  
19 approved capital expenditures are paid to the vendor track subject to  
20 any required co-investment. In no event shall any vendor track that  
21 receives a vendor fee pursuant to clause [(F) or] (G) of this subpara-  
22 graph be eligible for a vendor's capital award under this section. Any  
23 operator of a vendor track which has received a vendor's capital award,  
24 choosing to divest the capital improvement toward which the award was  
25 applied, prior to the full depreciation of the capital improvement in  
26 accordance with generally accepted accounting principles, shall reim-  
27 burse the state in amounts equal to the total of any such awards. Any  
28 capital award not approved for a capital expenditure at a video lottery  
29 gaming facility by April first, two thousand [fifteen] SIXTEEN shall be  
30 deposited into the state lottery fund for education aid; and  
31 S 2. This act shall take effect immediately.