

961--A

Cal. No. 45

2015-2016 Regular Sessions

I N A S S E M B L Y

January 8, 2015

Introduced by M. of A. PRETLOW -- read once and referred to the Committee on Ways and Means -- advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading

AN ACT to amend the tax law, in relation to video gaming machines and disposition of revenues

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 subdivision b of section 1612 of the tax law, as amended by section 1 of part 2 MM of chapter 59 of the laws of 2015, is amended to read as follows:
3 (H) notwithstanding clauses (A), (B), (C), (D), (E), (F) and (G) of 4 this subparagraph, the track operator of a vendor track shall be eligible 5 for a vendor's capital award of up to four percent of the total 6 revenue wagered at the vendor track after payout for prizes pursuant to 7 this chapter, which shall be used exclusively for capital project 8 investments to improve the facilities of the vendor track which promote 9 or encourage increased attendance at the video lottery gaming facility 10 including, but not limited to hotels, other lodging facilities, entertainment 11 facilities, retail facilities, dining facilities, events 12 arenas, parking garages and other improvements that enhance facility 13 amenities; provided that such capital investments shall be approved by 14 the division, in consultation with the state racing and wagering board, 15 and that such vendor track demonstrates that such capital expenditures 16 will increase patronage at such vendor track's facilities and increase 17 the amount of revenue generated to support state education programs. The 18 annual amount of such vendor's capital awards that a vendor track shall 19 be eligible to receive shall be limited to two million five hundred 20 thousand dollars, except for Aqueduct racetrack, for which there shall 21 be no vendor's capital awards. Except for tracks having less than one 22 thousand [one] NINE hundred video gaming machines, and except for a 23 vendor track located west of State Route 14 from Sodus Point to the 24

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

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