

2207

2015-2016 Regular Sessions

I N A S S E M B L Y

January 15, 2015

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 Pennsylv-
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.