S T A T E O F N E W Y O R K

7170

2015-2016 Regular Sessions

I N A S S E M B L Y

April 27, 2015

Introduced by M. of A. PRETLOW -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to investment in the racing industry in consideration for operation of a video lottery gaming facility

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

Section 1. Paragraph 2 of subdivision b of section 1612 of the tax law, as amended by section 1 of part OO 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 of Nassau or Suffolk 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, PROVIDED THAT IN THE EVENT A TRACK IS GRANTED SUBSEQUENT TO TWO THOUSAND FOURTEEN EITHER (A) AN INCREASED VENDOR'S FEE, OR (B) A DECREASE IN THE TAX RATE, SUCH PURSE ENHANCEMENT SHALL BE FURTHER ENHANCED IN AN AMOUNT IN PROPORTION TO THE AFOREMENTIONED INCREASE OR DECREASE IN RELATION TO THE PRESENT VENDOR'S FEE OR TAX RATE. THE CURRENT PROPORTION OF THE NET WIN DUE THE PURSES AND BREEDER'S FUND IS EQUAL TO A FIXED PERCENTAGE OF THE TWO THOUSAND FOURTEEN VENDOR'S FEE. One percent of the gross purse enhancement amount, as required by this subdivision, shall be paid to the gaming commission to be used exclu-

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

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sively 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 of Nassau or Suffolk 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 PROVIDED THAT IN THE EVENT A TRACK IS GRANTED SUBSEQUENT TO TWO THOUSAND FOURTEEN EITHER (A) AN INCREASED VENDOR'S FEE, OR (B) A DECREASE IN THE TAX RATE, SUCH PURSE ENHANCEMENT SHALL BE FURTHER ENHANCED IN AN AMOUNT IN PROPORTION TO THE AFOREMENTIONED INCREASE OR DECREASE IN RELATION TO THE PRESENT VENDOR'S FEE OR TAX RATE. THE CURRENT PROPORTION OF THE NET WIN DUE THE PURSES AND BREEDER'S FUND IS EQUAL TO A FIXED PERCENTAGE OF THE TWO THOUSAND FOURTEEN VENDOR'S FEE.

Provided, further, that nothing in this paragraph shall prevent each track from entering into an agreement, not to exceed five years, with the organization authorized to represent its horsemen to increase or decrease the portion of its vendor fee dedicated to enhancing purses at such track during the years of participation by such track, or to race fewer dates than required herein.

S 2. This act shall take effect immediately.