STATE OF NEW YORK

4462

2019-2020 Regular Sessions

IN ASSEMBLY

February 4, 2019

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

AN ACT to amend the tax law, in relation to the distribution of the additional vendor's marketing allowance by any operator of a racetrack located in the county of Westchester

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subparagraph (iii) of paragraph 1 of subdivision b of section 1612 of the tax law, as separately amended by chapters 174 and 175 of the laws of 2013, is amended to read as follows:

(iii) less an additional vendor's marketing allowance at a rate of ten percent for the first one hundred million dollars annually and eight percent thereafter of the total revenue wagered at the vendor track after payout for prizes to be used by the vendor track for the marketing and promotion and associated costs of its video lottery gaming operations and pari-mutuel horse racing operations, as long as any such costs associated with pari-mutuel horse racing operations simultaneously encourage increased attendance at such vendor's video lottery gaming facilities, consistent with the customary manner of marketing comparable operations in the industry and subject to the overall supervision of the division; provided, however, that the additional vendor's marketing allowance shall not exceed eight percent in any year for any operator of a racetrack located in the county of Westchester or Queens; provided, however, a vendor track that receives a vendor fee pursuant to clause (G) of subparagraph (ii) of this paragraph shall not receive the additional vendor's marketing allowance; provided, however, except for a vendor track located west of State Route 14 from Sodus Point to the Pennsylvania border within New York shall continue to receive a marketing allowance of ten percent on total revenue wagered at the vendor track after payout for prizes in excess of one hundred million dollars annually provided, however, a vendor that receives a vendor fee pursuant

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

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to clause (G-1) of subparagraph (ii) of this paragraph shall receive an additional marketing allowance at a rate of ten percent of the total revenue wagered at the video lottery gaming facility after payout for prizes. [~~In establishing the vendor fee,~~] **The additional vendor's marketing allowance for any operator of a racetrack located in the county of Westchester expended by such operator for marketing shall not exceed eight percent of the total revenue wagered at the vendor track after payout for prizes pursuant to this chapter in any year and the remainder of such additional vendor's marketing allowance for such operator calculated pursuant to this subdivision, not to exceed twenty-five million dollars annually, shall be paid by such operator to the Yonkers city school district board of education in quarterly payments commencing July first, two thousand eighteen to support and maintain educational programs established pursuant to the settlement agreement dated January thirty-first, two thousand two in United States of America v. Yonkers Board of Education. Notwithstanding any other provision of law, rule or regulation to the contrary, such amount provided pursuant to this subdivision shall be in addition to any annual maintenance of effort requirement imposed on the state or city of Yonkers.**

§ 2. This act shall take effect July 1, 2020.