

# STATE OF NEW YORK

3610

2023-2024 Regular Sessions

## IN ASSEMBLY

February 3, 2023

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

AN ACT to amend the racing, pari-mutuel wagering and breeding law, in relation to the tax on gaming revenues in certain regions; and providing for the repeal of such provisions upon the expiration thereof

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

Section 1. Paragraph (a) of subdivision 1 of section 1351 of the racing, pari-mutuel wagering and breeding law, as amended by section 1 of part 000 of chapter 59 of the laws of 2021, is amended to read as follows:

(a) For a gaming facility in zone two, there is hereby imposed a tax on gross gaming revenues. The amount of such tax imposed shall be as follows; provided, however, should a licensee have agreed within its application to supplement the tax with a binding supplemental fee payment exceeding the aforementioned tax rate, such tax and supplemental fee shall apply for a gaming facility:

(1) in region two, forty-five percent of gross gaming revenue from slot machines and ten percent of gross gaming revenue from all other sources.

(2) in region one, thirty-nine percent of gross gaming revenue from slot machines and ten percent of gross gaming revenue from all other sources.

(3) in region five for the casino located in Nichols, New York, [thir-  
ty-seven] thirty percent of gross gaming revenue from slot machines and ten percent of gross gaming revenue from all other sources.

§ 2. Subdivision 1 of section 1351 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

1. For a gaming facility in zone two, there is hereby imposed a tax on gross gaming revenues. The amount of such tax imposed shall be as

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

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1 follows; provided, however, should a licensee have agreed within its  
2 application to supplement the tax with a binding supplemental fee  
3 payment exceeding the aforementioned tax rate, such tax and supplemental  
4 fee shall apply for a gaming facility:

5 (a) in region two, forty-five percent of gross gaming revenue from  
6 slot machines and ten percent of gross gaming revenue from all other  
7 sources.

8 (b) in region one, thirty-nine percent of gross gaming revenue from  
9 slot machines and ten percent of gross gaming revenue from all other  
10 sources.

11 (c) in region five for the casino located in Nichols, New York, [thir-  
12 ty-seven] thirty percent of gross gaming revenue from slot machines and  
13 ten percent of gross gaming revenue from all other sources.

14 § 3. 1. As a condition of the lower slot machine tax rate in region  
15 five provided by this act, such gaming facility shall provide an initial  
16 report to the governor, the speaker of the assembly, the temporary pres-  
17 ident of the senate, and the commission detailing the projected use of  
18 funds resulting from such tax adjustment and a plan that prescribes the  
19 manner in which the licensed gaming facility receiving the reduction in  
20 its slot machine tax rate will rebuild their economic infrastructure  
21 through the rehiring of laid-off employees or capital improvements  
22 designed to create revenue and create new jobs. Such plan shall also  
23 clearly establish quarterly and annual employment goals of increasing  
24 full-time employees. Such initial report and accompanying plan shall be  
25 due thirty days after the effective date of this section. Thereafter, an  
26 annual report shall be made to the governor, the speaker of the assem-  
27 bly, the temporary president of the senate, and the commission detailing  
28 actual use of the funds resulting from such tax adjustment. Such report  
29 shall include, but not be limited to, any impact on employment levels  
30 since receiving the funds, an accounting of the use of such funds, any  
31 other measures implemented to improve the financial stability of the  
32 gaming facility, any relevant information that helped in the determi-  
33 nation of such slot tax rate reduction, and any other information as  
34 deemed necessary by the commission. Such report shall be due no later  
35 than the first day of the fourth quarter after such tax rate has been  
36 granted.

37 2. (a) At the conclusion of each year, the licensed gaming facility  
38 shall provide an affirmation in writing to the commission stating the  
39 employment goal in subdivision 1 of this section was either met or not  
40 met as described in the initial report. If the licensed gaming facility  
41 is found to have not adhered to the plan by the commission, then the  
42 applicable slot tax rate shall be adjusted at the discretion of the  
43 commission as follows:

44 (1) If the actual employment number is more than fifty percent less  
45 than the employment goal, then the slot tax rate shall be increased by  
46 ten percentage points.

47 (2) If the actual employment number is more than forty percent less  
48 than the employment goal, then the slot tax rate shall be increased by  
49 eight percentage points.

50 (3) If the actual employment number is more than thirty percent less  
51 than the employment goal, then the slot tax rate shall be increased by  
52 six percentage points.

53 (4) If the actual employment number is more than twenty percent less  
54 than the employment goal, then the slot tax rate shall be increased by  
55 four percentage points.

1 (5) If the actual employment number is more than ten percent less than  
2 the employment goal, then the slot tax rate shall be increased by two  
3 percentage points.

4 (b) Such finding and the reasoning thereof shall occur no later than  
5 thirty days following submission of the written affirmation.

6 § 4. This act shall take effect immediately and shall expire and be  
7 deemed repealed five years after such date; provided, however, that the  
8 amendments to subdivision 1 of section 1351 of the racing, pari-mutuel  
9 wagering and breeding law made by section one of this act shall be  
10 subject to the expiration and reversion of such subdivision when upon  
11 such date the provisions of section two of this act shall take effect.