§ 418. Disposition of pari-mutuel pools. 1. Every association or corporation authorized under section four hundred five of this article to conduct pari-mutuel betting at a quarter horse race meeting on races run thereat shall distribute all sums deposited in any pari-mutuel pool to the holders of winning tickets therein provided such tickets be presented for payment before April first of the year following the year of their purchase, less seventeen percent of the total deposits in pools resulting from regular on-track bets and less nineteen percent of the total deposits in pools resulting from multiple bets and less twenty-five percent of the total deposits in pools resulting from exotic on-track bets. "Multiple bet" or "multiple wager" shall mean a single bet or wager on two horses, evidenced by a single ticket and representing an interest in a single betting pool. "Exotic bet" or "exotic wager" shall mean a single bet or wager on three or more horses, evidenced by a single ticket and representing an interest in a single betting pool. Of the sum so retained there shall be eight percent, plus sixty-five percent of the amount of the breaks from on-track regular, multiple and exotic bets shall be paid by such corporation or association to the department of taxation and finance as a reasonable tax by the state for the privilege of conducting pari-mutuel betting on the races run at the quarter horse race meetings held by such corporation or association, which tax is hereby levied, in the applicable percentage set forth in subdivision one of section one hundred thirty-six of this chapter. The payment of such state tax shall be made to the department of taxation and finance at such regular intervals as the department of taxation and finance may require, and shall be accompanied by a report under oath showing the total of all such contributions together with such other information as the department of taxation and finance may require. A penalty of five percent and interest at the rate of one percent per month from the date the report is required to be filed to the date of payment of the tax shall be payable in case any tax imposed by this section is not paid when due. If the department of taxation and finance determines that any moneys received under this section were paid in error, it may cause the same to be refunded without interest out of any moneys collected thereunder, provided an application therefor is filed with it within one year from the time the erroneous payment was made. Such taxes, interest

and penalties when collected, after the deduction of refunds of taxes erroneously paid, shall be paid by the department of taxation and finance into the general fund of the state treasury.

2. Except as may be authorized by the legislature, no county, city, town, village or other political subdivision of the state may impose, levy or collect a tax on admission fees or tax on admission, on wagers made by patrons in the form of purchases of pari-mutuel tickets or upon such tickets, on pari-mutuel pools, on breaks, on dividends or payments made to winning bettors, or on that part of the pari-mutuel pools or breaks to be retained by quarter horse racing corporations or associations under this section.

3. The sums paid by any corporation or association to the department of taxation and finance shall be determined by multiplying each applicable rate for total daily pools from on-track regular bets by the percentage that on-track regular bets is of the total on-track daily pool and by multiplying each applicable rate for total daily pools on on-track exotic bets by the percentage that exotic bets is of total daily pool, then combining the two determined percentages and applying the result to the appropriate level of the total daily pool from on-track regular and exotic bets.