§ 531. Reduction of local admissions taxes as a pre-condition of off-track betting. 1. Notwithstanding article eight of this chapter and subdivision twenty-four of section sixty-four of the town law, no locally imposed taxes on admissions to harness or running races shall be in the aggregate more than three percent of such admissions on and after the first day that off-track pari-mutuel betting is conducted or continues to be conducted in such locality imposing the tax by a regional corporation, pursuant to this article, established for the region in which such races are conducted.

2. A regional corporation, except for such corporations consisting of only one participating county or one city, shall annually reimburse any city or town within such region for any reduction in admissions tax revenues equal to the difference between such revenues for:

a. the twelve months immediately preceding the reduction required by this section, and

b. each twelve-month period subsequent to July thirty-first, nineteen hundred seventy-eight.