

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to amend and reenact §§ 58.1-3825 and 59.1-392 of the Code of Virginia and to repeal Chapter 4.6 (§§ 3.1-22.30 through 3.1-22.37) of Title 3.1 of the Code of Virginia, relating to the abolishment of the Virginia Equine Center Foundation.

[H 1834]

Approved

Be it enacted by the General Assembly of Virginia:**1. That §§ 58.1-3825 and 59.1-392 of the Code of Virginia are amended and reenacted as follows:**

§ 58.1-3825. Additional transient occupancy tax in Rockbridge County and the Cities of Lexington and Buena Vista.

In addition to such transient occupancy taxes as are authorized by this chapter, Rockbridge County and the Cities of Lexington and Buena Vista may impose an additional transient occupancy tax not to exceed two percent of the amount of charge for the occupancy of any room or space occupied. The authority to impose such tax is hereby individually granted to the local governing bodies of such county and cities. However, if such tax is adopted, the local governing body of such county or cities adopting the tax shall appropriate the revenues collected therefrom to the Virginia Horse Center Foundation ~~or the Virginia Equine Center Foundation~~ to be used by the ~~Foundations~~ Foundation for the sole purpose of making principal and interest payments on a promissory note or notes signed or executed by ~~either the Virginia Horse Center Foundation or the Virginia Equine Center Foundation~~ prior to January 1, 2004, with the Rockbridge Industrial Development Authority as the obligee or payee, as part of an agreement for the Authority to issue bonds on behalf of or for improvements at the Virginia Horse Center Foundation, Virginia Equine Center Foundation, or Virginia Equine Center.

For purposes of this section, such note or notes signed or executed prior to January 1, 2004, shall include any notes or other indebtedness incurred to refinance such note or notes, regardless of the date of refinancing, provided that such refinancing shall not include any debt or the payment of any debt for any activity relating to the Virginia Horse Center Foundation, Virginia Equine Center Foundation, or Virginia Equine Center that occurs on or after January 1, 2004.

The tax imposed hereunder shall not apply to rooms or spaces rented and continuously occupied by the same individual or same group of individuals for 30 or more days. Such tax may no longer be imposed in such county or such cities after final payment of the note or notes described herein.

§ 59.1-392. Percentage retained; tax.

A. Any person holding an operator's license to operate a horse racetrack or satellite facility in the Commonwealth pursuant to this chapter shall be authorized to conduct pari-mutuel wagering on horse racing subject to the provisions of this chapter and the conditions and regulations of the Commission.

B. On pari-mutuel pools generated by wagering at the racetrack on live horse racing conducted within the Commonwealth, involving win, place and show wagering, the licensee shall retain an amount not to exceed eighteen percent of such pool and the legitimate breakage, out of which shall be paid one and one-quarter percent to be distributed as follows: one percent to the Commonwealth as a license tax, and one-quarter percent to the locality in which the racetrack is located. The remainder of the eighteen percent retainage shall be paid as provided in subsection D.

C. On pari-mutuel pools generated by wagering at each Virginia satellite facility on live horse racing conducted within the Commonwealth, involving win, place and show wagering, the licensee shall retain an amount not to exceed eighteen percent of such pool and the legitimate breakage, out of which shall be paid one and one-quarter percent to be distributed as follows: three-quarters percent to the Commonwealth as a license tax, one-quarter percent to the locality in which the satellite facility is located, and one-quarter percent to the locality in which the racetrack is located. The remainder of the eighteen percent retainage shall be paid as provided in subsection D.

D. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on live horse racing conducted within the Commonwealth, involving win, place and show wagering, the licensee shall retain an amount not to exceed eighteen percent of such pool and the legitimate breakage, out of which shall be paid:

1. Eight percent as purses or prizes to the participants in such race meeting;
2. Seven and one-half percent, and all of the breakage and the proceeds of pari-mutuel tickets unredeemed 180 days from the date on which the race was conducted, to the operator;
3. One percent to the Virginia Breeders Fund;
4. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;

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5. Five one-hundredths percent to the Virginia ~~Equine~~ Horse Center Foundation;
6. Five one-hundredths percent to the Virginia Horse Industry Board; and
7. The remainder of the eighteen percent retainage shall be paid as appropriate under subsection B or

C.

E. On pari-mutuel pools generated by wagering at the racetrack on live horse racing conducted within the Commonwealth involving wagering other than win, place and show wagering, the licensee shall retain an amount not to exceed twenty-two percent of such pool and the legitimate breakage, out of which shall be paid two and three-quarters percent to be distributed as follows: two and one-quarter percent to the Commonwealth as a license tax, and one-half percent to the locality in which the racetrack is located. The remainder of the twenty-two percent retainage shall be paid as provided in subsection G.

F. On pari-mutuel pools generated by wagering at each Virginia satellite facility on live horse racing conducted within the Commonwealth involving wagering other than win, place and show wagering, the licensee shall retain an amount not to exceed twenty-two percent of such pool and the legitimate breakage, out of which shall be paid two and three-quarters percent to be distributed as follows: one and three-quarters percent to the Commonwealth as a license tax, one-half percent to the locality in which the satellite facility is located, and one-half percent to the locality in which the racetrack is located. The remainder of the twenty-two percent retainage shall be paid as provided in subsection G.

G. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on live horse racing conducted within the Commonwealth involving wagering other than win, place and show wagering, the licensee shall retain an amount not to exceed twenty-two percent of such pool and the legitimate breakage, out of which shall be paid:

1. Nine percent as purses or prizes to the participants in such race meeting;
2. Nine percent, and the proceeds of the pari-mutuel tickets unredeemed 180 days from the date on which the race was conducted, to the operator;
3. One percent to the Virginia Breeders Fund;
4. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
5. Five one-hundredths percent to the Virginia ~~Equine~~ Horse Center Foundation;
6. Five one-hundredths percent to the Virginia Horse Industry Board; and
7. The remainder of the twenty-two percent retainage shall be paid as appropriate under subsection E or F.

H. On pari-mutuel wagering generated by simulcast horse racing transmitted from jurisdictions outside the Commonwealth, the licensee may, with the approval of the Commission, commingle pools with the racetrack where the transmission emanates or establish separate pools for wagering within the Commonwealth. All simulcast horse racing in this subsection must comply with the Interstate Horse Racing Act of 1978 (15 U.S.C. § 3001 et seq.).

I. On pari-mutuel pools generated by wagering at the racetrack on simulcast horse racing transmitted from jurisdictions outside the Commonwealth, involving win, place and show wagering, the licensee shall retain one and one-quarter percent of such pool to be distributed as follows: three-quarters percent to the Commonwealth as a license tax, and one-half percent to the Virginia locality in which the racetrack is located.

J. On pari-mutuel pools generated by wagering at each Virginia satellite facility on simulcast horse racing transmitted from jurisdictions outside the Commonwealth, involving win, place and show wagering, the licensee shall retain one and one-quarter percent of such pool to be distributed as follows: three-quarters percent to the Commonwealth as a license tax, one-quarter percent to the locality in which the satellite facility is located, and one-quarter percent to the Virginia locality in which the racetrack is located.

K. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on simulcast horse racing transmitted from jurisdictions outside the Commonwealth, involving win, place and show wagering, the licensee shall retain one and one-quarter percent of such pool to be distributed as follows:

1. One percent of the pool to the Virginia Breeders Fund;
2. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
3. Five one-hundredths percent to the Virginia ~~Equine~~ Horse Center Foundation; and
4. Five one-hundredths percent to the Virginia Horse Industry Board.

L. On pari-mutuel pools generated by wagering at the racetrack on simulcast horse racing transmitted from jurisdictions outside the Commonwealth, involving wagering other than win, place and show wagering, the licensee shall retain two and three-quarters percent of such pool to be distributed as follows: one and three-quarters percent to the Commonwealth as a license tax, and one percent to the Virginia locality in which the racetrack is located.

M. On pari-mutuel pools generated by wagering at each Virginia satellite facility on simulcast horse

118 racing transmitted from jurisdictions outside the Commonwealth, involving wagering other than win,
 119 place and show wagering, the licensee shall retain two and three-quarters percent of such pool to be
 120 distributed as follows: one and three-quarters percent to the Commonwealth as a license tax, one-half
 121 percent to the locality in which the satellite facility is located, and one-half percent to the Virginia
 122 locality in which the racetrack is located.

123 N. On pari-mutuel pools generated by wagering at the racetrack and each Virginia satellite facility on
 124 simulcast horse racing transmitted from jurisdictions outside the Commonwealth, involving wagering
 125 other than win, place and show wagering, the licensee shall retain one and one-quarter percent of such
 126 pool to be distributed as follows:

- 127 1. One percent of the pool to the Virginia Breeders Fund;
- 128 2. Fifteen one-hundredths percent to the Virginia-Maryland Regional College of Veterinary Medicine;
- 129 3. Five one-hundredths percent to the Virginia ~~Equine~~ Horse Center Foundation; and
- 130 4. Five one-hundredths percent to the Virginia Horse Industry Board.

131 O. Moneys payable to the Commonwealth shall be deposited in the general fund. Gross receipts for
 132 license tax purposes under Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1 shall not include pari-mutuel
 133 wagering pools and license taxes authorized by this section.

134 P. All payments by the licensee to the Commonwealth or any locality shall be made within five days
 135 from the date on which such wagers are received by the licensee. All payments by the licensee to the
 136 Virginia Breeders Fund shall be made to the Commission within five days from the date on which such
 137 wagers are received by the licensee. All payments by the licensee to the Virginia-Maryland Regional
 138 College of Veterinary Medicine, the Virginia ~~Equine~~ Horse Center Foundation, and the Virginia Horse
 139 Industry Board shall be made by the first day of each quarter of the calendar year. All payments made
 140 under this section shall be used in support of the policy of the Commonwealth to sustain and promote
 141 the growth of a native industry.

142 Q. If a satellite facility is located in more than one locality, any amount a licensee is required to pay
 143 under this section to the locality in which the satellite facility is located shall be prorated in equal shares
 144 among those localities.

145 R. Any contractual agreement between a licensee and other entities concerning the distribution of the
 146 remaining portion of the retainage under subsections I through N shall be subject to the approval of the
 147 Commission.

148 S. The horsemen's organizations representing a majority of the horsemen racing at a licensed
 149 unlimited race meeting may, subject to the approval of the Commission, withdraw for administrative
 150 costs associated with serving the interests of the horsemen an amount not to exceed two percent of the
 151 amount in the horsemen's account.

152 T. The legitimate breakage from each pari-mutuel pool for both live racing and simulcast horse
 153 racing shall be distributed as follows:

- 154 1. Seventy percent to be retained by the licensee to be used for capital improvements that are subject
 155 to approval of the Commission; and

156 2. Thirty percent to be deposited in the Racing Benevolence Fund, administered jointly by the
 157 licensee and the horsemen's organization representing a majority of the horsemen racing at a licensed
 158 unlimited race meeting, to be disbursed with the approval of the Commission for gambling addiction and
 159 substance abuse counseling, recreational, educational or other related programs.

160 2. That Chapter 4.6 (§§ 3.1-22.30 through 3.1-22.37) of Title 3.1 of the Code of Virginia is
 161 repealed.