

LD6772432

HOUSE BILL NO. 1151

Offered January 25, 1994

A BILL to amend and reenact §§ 59.1-392 and 59.1-393 of the Code of Virginia, relating to horse racing with pari-mutuel wagering; taxation.

Patrons—Robinson and Abbitt

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That §§ 59.1-392 and 59.1-393 of the Code of Virginia are amended and reenacted as follows:

§ 59.1-392. Percentage retained; tax.

A. Any person holding an operator's license 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 on live horse racing conducted within the Commonwealth, involving win, place and show wagering, the licensee shall retain an amount not to exceed ~~eighteen~~ *nineteen and nine-tenths* percent of the pool, and the legitimate breakage, out of which shall be paid:

1. a. If there are no satellite facilities, ~~one and one-half~~ *three and four-tenths* percent of the pool to the Commonwealth as a license tax which shall be paid within five days to the Commonwealth, *and twenty-five percent of which shall be paid by the Commonwealth to the locality in which the track is located;*

b. If there are satellite facilities, ~~one~~ *three and four-tenths* percent of the pool to the Commonwealth as a license tax which shall be paid within five days to the Commonwealth, and ~~one-quarter~~ *twelve and five-tenths* percent of ~~the pool~~ *which shall be paid by the Commonwealth* to the locality in which the satellite facility is located and ~~one-quarter~~ *twelve and five-tenths* percent to the locality in which the track is located, which shall be paid within five days to ~~the locality~~ *such localities*. If any satellite facility is located in more than one locality, the license tax shall be prorated in equal shares among those localities;

2. Eight percent of the pool as purses or prizes to the participants in such race meeting;

3. Seven and one-half percent of the pool, the breakage and the proceeds of pari-mutuel tickets unredeemed 180 days from the date on which the race was conducted, to the operator; and

4. One percent of the pool to the Virginia Breeders Fund which shall be paid to the Commission within five days and shall be used in support of the policy of the Commonwealth to sustain and promote the growth of a native industry.

C. On pari-mutuel pools generated by wagering on live horse racing conducted within the Commonwealth involving wagering other than that set forth in subsection B of this section, the licensee shall retain an amount not to exceed ~~twenty-two~~ *thirteen and two-tenths* percent of the pool and the legitimate breakage, out of which shall be paid:

1. a. If there are no satellite facilities, ~~three~~ *four and two-tenths* percent of the pool to the Commonwealth as a license tax which shall be paid within five days to the Commonwealth, *and twenty-five percent of which shall be paid by the Commonwealth to the locality in which the track is located;*

b. If there are satellite facilities, ~~two~~ *four and two-tenths* percent of the pool to the Commonwealth as a license tax which shall be paid within five days to the Commonwealth, and ~~one-half~~ *twelve and five-tenths* percent of ~~the pool~~ *which shall be paid by the Commonwealth* to the locality in which the satellite facility is located and ~~one-half~~ *twelve and five-tenths* percent to the locality in which the track is located, which shall be paid within five days to ~~the locality~~ *such localities*. If any satellite facility is located in more than one locality, the license tax shall be prorated in equal shares among those localities;

2. Nine percent of the pool as purses or prizes to the participants in such race meeting;

3. Nine percent of the pool, the breakage and the proceeds of the pari-mutuel tickets unredeemed 180 days from the date on which the race was conducted, to the operator; and

4. One percent of the pool to the Virginia Breeders Fund which shall be paid to the Commission and used in support of the policy of the Commonwealth to sustain and promote the growth of a native industry.

D. On pari-mutuel wagering generated by simulcast horse racing transmitted from jurisdictions outside the Commonwealth, with the approval of the Commission the licensee may commingle pools

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HB1151

60 with the racetrack where the transmission emanates or establish separate pools for wagering within the
61 Commonwealth. All simulcast horse racing in this subsection must comply with the Interstate Horse
62 Racing Act of 1978 (15 USC § 3001 et seq.).

63 E. On pari-mutuel pools generated by wagering on simulcast horse racing transmitted from
64 jurisdictions outside the Commonwealth, involving win, place and show wagering, the licensee shall
65 retain:

66 1. a. If there are no satellite facilities, ~~one and one-half~~ *three and four-tenths* percent of the pool to
67 the Commonwealth as a license tax which shall be paid within five days to the Commonwealth, *and*
68 *twenty-five percent of which shall be paid by the Commonwealth to the locality in which the track is*
69 *located;*

70 b. If there are satellite facilities, ~~one~~ *three and four-tenths* percent of the pool to the Commonwealth
71 as a license tax which shall be paid within five days to the Commonwealth, and ~~one-quarter~~ *twelve and*
72 *five-tenths* percent of the pool *which shall be paid by the Commonwealth to the locality in which the*
73 *satellite facility is located and* ~~one-quarter~~ *twelve and five-tenths* percent to the locality in which the
74 track is located, which shall be paid within five days to ~~the locality~~ *such localities*. If the satellite
75 facility is located in more than one locality, the license tax shall be prorated in equal shares among
76 those localities; and

77 2. One percent of the pool to the Virginia Breeders Fund which shall be paid to the Commission
78 within five days and shall be used in support of the policy of the Commonwealth to sustain and promote
79 the growth of a native industry.

80 Any contractual agreement between a licensee and other entities concerning the distribution of the
81 remaining portion of the retainage is subject to the approval of the Commission.

82 F. On pari-mutuel pools generated by simulcast horse racing transmitted from jurisdictions outside
83 the Commonwealth, involving wagering other than that set forth in subsection E, the licensee shall
84 retain:

85 1. a. If there are no satellite facilities, ~~three~~ *six and eight-tenths* percent of the pool to the
86 Commonwealth as a license tax which shall be paid within five days to the Commonwealth, *and*
87 *twenty-five percent of which shall be paid by the Commonwealth to the locality in which the track is*
88 *located;*

89 b. If there are satellite facilities, ~~two~~ *six and eight-tenths* percent of the pool to the Commonwealth
90 as a license tax which shall be paid within five days to the Commonwealth, and ~~one-half~~ *twelve and*
91 *five-tenths* percent of the pool *which shall be paid by the Commonwealth to the locality in which the*
92 *satellite facility is located and* ~~one-half~~ *twelve and five-tenths* percent to the locality in which the track is
93 located, which shall be paid within five days to ~~the locality~~ *such localities*. If the satellite facility is
94 located in more than one locality, the license tax shall be prorated in equal shares among the localities;
95 and

96 2. One percent of the pool to the Virginia Breeders Fund which shall be paid to the Commission and
97 used in support of the policy of the Commonwealth to sustain and promote the growth of a native
98 industry.

99 Any contractual agreement between a licensee and other entities concerning the distribution of the
100 remaining portion of the retainage is subject to the approval of the Commission.

101 G. Moneys payable to the Commonwealth shall be deposited in the general fund. Gross receipts for
102 license tax purposes under Chapter 37 of Title 58.1 shall not include ~~pari-mutuel wagering pools and~~
103 *license taxes authorized by this section, payments to the Virginia Breeders Fund, and purses or prizes.*

104 § 59.1-393. Admissions tax.

105 The governing body of any county or city *in which a track or satellite facility is located* may by
106 ordinance impose a tax on ~~any~~ *a licensee hereunder to conduct a race meeting at a track located solely*
107 *in such county or city* of ~~twenty-five cents~~ *\$2.00* on the admission *to such track or satellite facility* of
108 each person on each day except those holding a valid permit under this chapter and actually employed at
109 such track in the capacity for which such permit was issued. The licensee may collect such amount from
110 the ticket holder in addition to the amount charged for the ticket of admission. *From the two-dollar tax,*
111 *such locality shall pay one dollar to the Commonwealth within five days. Moneys payable to the*
112 *Commonwealth shall be deposited in the general fund.*

113 If such track ~~or~~, its enclosure is located in ~~two or~~ *in three* localities, each locality may impose a tax
114 *hereunder of twelve and one-half cents or eight and one-third cents per person, respectively, or satellite*
115 *facility where the tax is imposed is located in two or more localities, the local share of the admissions*
116 *tax shall be prorated in equal shares among the localities where such track, its enclosure, or satellite*
117 *facility, as the case may be, is located.*

118 Gross receipts for license tax purposes under Chapter 37 of Title 58.1 shall not include the
119 admissions tax imposed under this section.