

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to amend and reenact § 59.1-392 of the Code of Virginia, relating to the Virginia Racing Commission; percentage retained on pari-mutuel wagering pools.

[H 1754]

Approved

Be it enacted by the General Assembly of Virginia:**1. That § 59.1-392 of the Code of Virginia is 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 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 percent of the pool to the Commonwealth as a license tax which shall be paid within five days to the Commonwealth;

b. If there are satellite facilities, one percent of the pool to the Commonwealth as a license tax which shall be paid within five days to the Commonwealth, and one-quarter percent of the pool shall be paid to the locality in which the satellite facility is located and one-quarter percent to the locality in which the track is located which shall be paid within five days to the locality. 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 percent of the pool and the legitimate breakage, out of which shall be paid:

1. a. If there are no satellite facilities, three percent of the pool to the Commonwealth as a license tax which shall be paid within five days to the Commonwealth;

b. If there are satellite facilities, two percent of the pool to the Commonwealth as a license tax which shall be paid within five days to the Commonwealth, and one-half percent of the pool shall be paid to the locality in which the satellite facility is located and one-half percent to the locality in which the track is located which shall be paid within five days to the locality. 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 *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.

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 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.).

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

1. a. If there are no satellite facilities, one and one-half percent of the pool to the Commonwealth as a license tax which shall be paid within five days to the Commonwealth;

b. If there are satellite facilities, one percent of the pool to the Commonwealth as a license tax which shall be paid within five days to the Commonwealth, and one-quarter percent of the pool to the locality

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57 in which the satellite facility is located and one-quarter percent to the *Virginia* locality in which the
 58 track is located which shall be paid within five days to the locality. If the satellite facility is located in
 59 more than one locality, the license tax shall be prorated in equal shares among those localities; and

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

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

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

68 1. a. If there are no satellite facilities, three percent of the pool to the Commonwealth as a license
 69 tax which shall be paid within five days to the Commonwealth;

70 b. If there are satellite facilities, two percent of the pool to the Commonwealth as a license tax which
 71 shall be paid within five days to the Commonwealth, and one-half percent of the pool to the locality in
 72 which the satellite facility is located and one-half percent to the *Virginia* locality in which the track is
 73 located which shall be paid within five days to the locality. If the satellite facility is located in more
 74 than one locality, the license tax shall be prorated in equal shares among the localities; and

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

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

80 G. Moneys payable to the Commonwealth shall be deposited in the general fund. Gross receipts for
 81 license tax purposes under Chapter 37 of Title 58.1 shall not include pari-mutuel wagering pools and
 82 license taxes authorized by this section.