



Rep. Joe C. Sosnowski

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LRB103 34192 HLH 70205 a

1 AMENDMENT TO HOUSE BILL 5412

2 AMENDMENT NO. _____. Amend House Bill 5412 on page 24,
3 immediately below line 16, by inserting the following:

4 "Section 20. The Illinois Horse Racing Act of 1975 is
5 amended by changing Sections 27 and 28.1 as follows:

6 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

7 Sec. 27. (a) In addition to the organization license fee
8 provided by this Act, until January 1, 2000, a graduated
9 privilege tax is hereby imposed for conducting the pari-mutuel
10 system of wagering permitted under this Act. Until January 1,
11 2000, except as provided in subsection (g) of Section 27 of
12 this Act, all of the breakage of each racing day held by any
13 licensee in the State shall be paid to the State. Until January
14 1, 2000, such daily graduated privilege tax shall be paid by
15 the licensee from the amount permitted to be retained under
16 this Act. Until January 1, 2000, each day's graduated

1 privilege tax, breakage, and Horse Racing Tax Allocation funds
2 shall be remitted to the Department of Revenue within 48 hours
3 after the close of the racing day upon which it is assessed or
4 within such other time as the Board prescribes. The privilege
5 tax hereby imposed, until January 1, 2000, shall be a flat tax
6 at the rate of 2% of the daily pari-mutuel handle except as
7 provided in Section 27.1.

8 In addition, every organization licensee, except as
9 provided in Section 27.1 of this Act, which conducts multiple
10 wagering shall pay, until January 1, 2000, as a privilege tax
11 on multiple wagers an amount equal to 1.25% of all moneys
12 wagered each day on such multiple wagers, plus an additional
13 amount equal to 3.5% of the amount wagered each day on any
14 other multiple wager which involves a single betting interest
15 on 3 or more horses. The licensee shall remit the amount of
16 such taxes to the Department of Revenue within 48 hours after
17 the close of the racing day on which it is assessed or within
18 such other time as the Board prescribes.

19 This subsection (a) shall be inoperative and of no force
20 and effect on and after January 1, 2000.

21 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax
22 at the rate of 1.5% of the daily pari-mutuel handle is imposed
23 at all pari-mutuel wagering facilities and on advance deposit
24 wagering from a location other than a wagering facility,
25 except as otherwise provided for in this subsection (a-5). In
26 addition to the pari-mutuel tax imposed on advance deposit

1 wagering pursuant to this subsection (a-5), beginning on
2 August 24, 2012 (the effective date of Public Act 97-1060), an
3 additional pari-mutuel tax at the rate of 0.25% shall be
4 imposed on advance deposit wagering. Until August 25, 2012,
5 the additional 0.25% pari-mutuel tax imposed on advance
6 deposit wagering by Public Act 96-972 shall be deposited into
7 the Quarter Horse Purse Fund, which shall be created as a
8 non-appropriated trust fund administered by the Board for
9 grants to thoroughbred organization licensees for payment of
10 purses for quarter horse races conducted by the organization
11 licensee. Beginning on August 26, 2012, the additional 0.25%
12 pari-mutuel tax imposed on advance deposit wagering shall be
13 deposited into the Standardbred Purse Fund, which shall be
14 created as a non-appropriated trust fund administered by the
15 Board, for grants to the standardbred organization licensees
16 for payment of purses for standardbred horse races conducted
17 by the organization licensee. Thoroughbred organization
18 licensees may petition the Board to conduct quarter horse
19 racing and receive purse grants from the Quarter Horse Purse
20 Fund. The Board shall have complete discretion in distributing
21 the Quarter Horse Purse Fund to the petitioning organization
22 licensees. Beginning on July 26, 2010 (the effective date of
23 Public Act 96-1287), a pari-mutuel tax at the rate of 0.75% of
24 the daily pari-mutuel handle is imposed at a pari-mutuel
25 facility whose license is derived from a track located in a
26 county that borders the Mississippi River and conducted live

1 racing in the previous year. The pari-mutuel tax imposed by
2 this subsection (a-5) shall be remitted to the Board
3 ~~Department of Revenue~~ within 48 hours after the close of the
4 racing day upon which it is assessed or within such other time
5 as the Board prescribes.

6 (a-10) Beginning on the date when an organization licensee
7 begins conducting gaming pursuant to an organization gaming
8 license, the following pari-mutuel tax is imposed upon an
9 organization licensee on Illinois races at the licensee's
10 racetrack:

11 1.5% of the pari-mutuel handle at or below the average
12 daily pari-mutuel handle for 2011.

13 2% of the pari-mutuel handle above the average daily
14 pari-mutuel handle for 2011 up to 125% of the average
15 daily pari-mutuel handle for 2011.

16 2.5% of the pari-mutuel handle 125% or more above the
17 average daily pari-mutuel handle for 2011 up to 150% of
18 the average daily pari-mutuel handle for 2011.

19 3% of the pari-mutuel handle 150% or more above the
20 average daily pari-mutuel handle for 2011 up to 175% of
21 the average daily pari-mutuel handle for 2011.

22 3.5% of the pari-mutuel handle 175% or more above the
23 average daily pari-mutuel handle for 2011.

24 The pari-mutuel tax imposed by this subsection (a-10)
25 shall be remitted to the Board within 48 hours after the close
26 of the racing day upon which it is assessed or within such

1 other time as the Board prescribes.

2 (b) On or before December 31, 1999, in the event that any
3 organization licensee conducts 2 separate programs of races on
4 any day, each such program shall be considered a separate
5 racing day for purposes of determining the daily handle and
6 computing the privilege tax on such daily handle as provided
7 in subsection (a) of this Section.

8 (c) Licensees shall at all times keep accurate books and
9 records of all monies wagered on each day of a race meeting and
10 of the taxes paid to the Board ~~Department of Revenue~~ under the
11 provisions of this Section. The Board or its duly authorized
12 representative or representatives shall at all reasonable
13 times have access to such records for the purpose of examining
14 and checking the same and ascertaining whether the proper
15 amount of taxes is being paid as provided. The Board shall
16 require verified reports and a statement of the total of all
17 monies wagered daily at each wagering facility upon which the
18 taxes are assessed and may prescribe forms upon which such
19 reports and statement shall be made.

20 (d) Before a license is issued or re-issued, the licensee
21 shall post a bond in the sum of \$500,000 to the State of
22 Illinois. The bond shall be used to guarantee that the
23 licensee faithfully makes the payments, keeps the books and
24 records, makes reports, and conducts games of chance in
25 conformity with this Act and the rules adopted by the Board.
26 The bond shall not be canceled by a surety on less than 30

1 days' notice in writing to the Board. If a bond is canceled and
2 the licensee fails to file a new bond with the Board in the
3 required amount on or before the effective date of
4 cancellation, the licensee's license shall be revoked. The
5 total and aggregate liability of the surety on the bond is
6 limited to the amount specified in the bond.

7 (e) No other license fee, privilege tax, excise tax, or
8 racing fee, except as provided in this Act, shall be assessed
9 or collected from any such licensee by the State.

10 (f) No other license fee, privilege tax, excise tax or
11 racing fee shall be assessed or collected from any such
12 licensee by units of local government except as provided in
13 paragraph 10.1 of subsection (h) and subsection (f) of Section
14 26 of this Act. However, any municipality that has a Board
15 licensed horse race meeting at a race track wholly within its
16 corporate boundaries or a township that has a Board licensed
17 horse race meeting at a race track wholly within the
18 unincorporated area of the township may charge a local
19 amusement tax not to exceed 10¢ per admission to such horse
20 race meeting by the enactment of an ordinance. However, any
21 municipality or county that has a Board licensed inter-track
22 wagering location facility wholly within its corporate
23 boundaries may each impose an admission fee not to exceed
24 \$1.00 per admission to such inter-track wagering location
25 facility, so that a total of not more than \$2.00 per admission
26 may be imposed. Except as provided in subparagraph (g) of

1 Section 27 of this Act, the inter-track wagering location
2 licensee shall collect any and all such fees. Inter-track
3 wagering location licensees must pay the admission fees
4 required under this subsection (f) to the municipality and
5 county no later than the 20th of the month following the month
6 such admission fees were imposed.

7 (g) Notwithstanding any provision in this Act to the
8 contrary, if in any calendar year the total taxes and fees from
9 wagering on live racing and from inter-track wagering required
10 to be collected from licensees and distributed under this Act
11 to all State and local governmental authorities exceeds the
12 amount of such taxes and fees distributed to each State and
13 local governmental authority to which each State and local
14 governmental authority was entitled under this Act for
15 calendar year 1994, then the first \$11 million of that excess
16 amount shall be allocated at the earliest possible date for
17 distribution as purse money for the succeeding calendar year.
18 Upon reaching the 1994 level, and until the excess amount of
19 taxes and fees exceeds \$11 million, the Board shall direct all
20 licensees to cease paying the subject taxes and fees and the
21 Board shall direct all licensees to allocate any such excess
22 amount for purses as follows:

23 (i) the excess amount shall be initially divided
24 between thoroughbred and standardbred purses based on the
25 thoroughbred's and standardbred's respective percentages
26 of total Illinois live wagering in calendar year 1994;

1 (ii) each thoroughbred and standardbred organization
2 licensee issued an organization licensee in that
3 succeeding allocation year shall be allocated an amount
4 equal to the product of its percentage of total Illinois
5 live thoroughbred or standardbred wagering in calendar
6 year 1994 (the total to be determined based on the sum of
7 1994 on-track wagering for all organization licensees
8 issued organization licenses in both the allocation year
9 and the preceding year) multiplied by the total amount
10 allocated for standardbred or thoroughbred purses,
11 provided that the first \$1,500,000 of the amount allocated
12 to standardbred purses under item (i) shall be allocated
13 to the Department of Agriculture to be expended with the
14 assistance and advice of the Illinois Standardbred
15 Breeders Funds Advisory Board for the purposes listed in
16 subsection (g) of Section 31 of this Act, before the
17 amount allocated to standardbred purses under item (i) is
18 allocated to standardbred organization licensees in the
19 succeeding allocation year.

20 To the extent the excess amount of taxes and fees to be
21 collected and distributed to State and local governmental
22 authorities exceeds \$11 million, that excess amount shall be
23 collected and distributed to State and local authorities as
24 provided for under this Act.

25 (Source: P.A. 101-31, eff. 6-28-19; 101-52, eff. 7-12-19;
26 102-558, eff. 8-20-21.)

1 (230 ILCS 5/28.1)

2 Sec. 28.1. Payments.

3 (a) Beginning on January 1, 2000, moneys collected by the
4 ~~Department of Revenue and the Racing~~ Board pursuant to Section
5 26 or Section 27 of this Act shall be deposited into the Horse
6 Racing Fund, which is hereby created as a special fund in the
7 State Treasury.

8 (b) Appropriations, as approved by the General Assembly,
9 may be made from the Horse Racing Fund to the Board to pay the
10 salaries of the Board members, secretary, stewards, directors
11 of mutuels, veterinarians, representatives, accountants,
12 clerks, stenographers, inspectors and other employees of the
13 Board, and all expenses of the Board incident to the
14 administration of this Act, including, but not limited to, all
15 expenses and salaries incident to the taking of saliva and
16 urine samples in accordance with the rules and regulations of
17 the Board.

18 (c) (Blank).

19 (d) Beginning January 1, 2000, payments to all programs in
20 existence on the effective date of this amendatory Act of 1999
21 that are identified in Sections 26(c), 26(f), 26(h)(11)(C),
22 and 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h)
23 of Section 30, and subsections (a), (b), (c), (d), (e), (f),
24 (g), and (h) of Section 31 shall be made from the General
25 Revenue Fund at the funding levels determined by amounts paid

1 under this Act in calendar year 1998. Beginning on the
2 effective date of this amendatory Act of the 93rd General
3 Assembly, payments to the Peoria Park District shall be made
4 from the General Revenue Fund at the funding level determined
5 by amounts paid to that park district for museum purposes
6 under this Act in calendar year 1994.

7 If an inter-track wagering location licensee's facility
8 changes its location, then the payments associated with that
9 facility under this subsection (d) for museum purposes shall
10 be paid to the park district in the area where the facility
11 relocates, and the payments shall be used for museum purposes.
12 If the facility does not relocate to a park district, then the
13 payments shall be paid to the taxing district that is
14 responsible for park or museum expenditures.

15 (e) Beginning July 1, 2006, the payment authorized under
16 subsection (d) to museums and aquariums located in park
17 districts of over 500,000 population shall be paid to museums,
18 aquariums, and zoos in amounts determined by Museums in the
19 Park, an association of museums, aquariums, and zoos located
20 on Chicago Park District property.

21 (f) Beginning July 1, 2007, the Children's Discovery
22 Museum in Normal, Illinois shall receive payments from the
23 General Revenue Fund at the funding level determined by the
24 amounts paid to the Miller Park Zoo in Bloomington, Illinois
25 under this Section in calendar year 2006.

26 (g) On July 3, 2023, the Comptroller shall order

1 transferred and the Treasurer shall transfer \$5,100,000 from
2 the Horse Racing Fund to the Horse Racing Purse Equity Fund.
3 (Source: P.A. 102-16, eff. 6-17-21; 103-8, eff. 7-1-23.)".