



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004
SB2276

Introduced 1/22/2004, by Lawrence M. Walsh

SYNOPSIS AS INTRODUCED:

230 ILCS 10/12	from Ch. 120, par. 2412
230 ILCS 10/13	from Ch. 120, par. 2413

Amends the Riverboat Gambling Act. Beginning July 1, 2004, reduces the admission tax and the wagering tax rates to the rates that existed on June 30 2003 (before the changes created by Public Acts 93-27 and 93-28 took effect). Effective immediately.

LRB093 16717 LRD 42368 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning gaming.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Riverboat Gambling Act is amended by
5 changing Sections 12 and 13 as follows:

6 (230 ILCS 10/12) (from Ch. 120, par. 2412)

7 Sec. 12. Admission tax; fees.

8 (a) A tax is hereby imposed upon admissions to riverboats
9 operated by licensed owners authorized pursuant to this Act.
10 Until July 1, 2002, the rate is \$2 per person admitted. From
11 July 1, 2002 ~~and~~ until July 1, 2003, the rate is \$3 per person
12 admitted. From Beginning July 1, 2003 until July 1, 2004, for a
13 licensee that admitted 1,000,000 persons or fewer in the
14 previous calendar year, the rate is \$3 per person admitted; for
15 a licensee that admitted more than 1,000,000 but no more than
16 2,300,000 persons in the previous calendar year, the rate is \$4
17 per person admitted; and for a licensee that admitted more than
18 2,300,000 persons in the previous calendar year, the rate is \$5
19 per person admitted. Beginning July 1, 2004, the rate is \$3 per
20 person admitted. Beginning July 1, 2003, for a licensee that
21 ~~admitted 2,300,000 persons or fewer in the previous calendar~~
22 ~~year, the rate is \$4 per person admitted and for a licensee~~
23 ~~that admitted more than 2,300,000 persons in the previous~~
24 ~~calendar year, the rate is \$5 per person admitted.~~ This
25 admission tax is imposed upon the licensed owner conducting
26 gambling.

27 (1) The admission tax shall be paid for each admission.

28 (2) (Blank).

29 (3) The riverboat licensee may issue tax-free passes to
30 actual and necessary officials and employees of the
31 licensee or other persons actually working on the
32 riverboat.

1 (4) The number and issuance of tax-free passes is
2 subject to the rules of the Board, and a list of all
3 persons to whom the tax-free passes are issued shall be
4 filed with the Board.

5 (a-5) A fee is hereby imposed upon admissions operated by
6 licensed managers on behalf of the State pursuant to Section
7 7.3 at the rates provided in this subsection (a-5). Until July
8 1, 2004, for ~~For~~ a licensee that admitted 1,000,000 persons or
9 fewer in the previous calendar year, the rate is \$3 per person
10 admitted; for a licensee that admitted more than 1,000,000 but
11 no more than 2,300,000 persons in the previous calendar year,
12 the rate is \$4 per person admitted; and for a licensee that
13 admitted more than 2,300,000 persons in the previous calendar
14 year, the rate is \$5 per person admitted. Beginning July 1,
15 2004, the rate is \$3 per person admitted.

16 (1) The admission fee shall be paid for each admission.

17 (2) (Blank).

18 (3) The licensed manager may issue fee-free passes to
19 actual and necessary officials and employees of the manager
20 or other persons actually working on the riverboat.

21 (4) The number and issuance of fee-free passes is
22 subject to the rules of the Board, and a list of all
23 persons to whom the fee-free passes are issued shall be
24 filed with the Board.

25 (b) From the tax imposed under subsection (a) and the fee
26 imposed under subsection (a-5), a municipality shall receive
27 from the State \$1 for each person embarking on a riverboat
28 docked within the municipality, and a county shall receive \$1
29 for each person embarking on a riverboat docked within the
30 county but outside the boundaries of any municipality. The
31 municipality's or county's share shall be collected by the
32 Board on behalf of the State and remitted quarterly by the
33 State, subject to appropriation, to the treasurer of the unit
34 of local government for deposit in the general fund.

35 (c) The licensed owner shall pay the entire admission tax
36 to the Board and the licensed manager shall pay the entire

1 admission fee to the Board. Such payments shall be made daily.
2 Accompanying each payment shall be a return on forms provided
3 by the Board which shall include other information regarding
4 admissions as the Board may require. Failure to submit either
5 the payment or the return within the specified time may result
6 in suspension or revocation of the owners or managers license.

7 (d) The Board shall administer and collect the admission
8 tax imposed by this Section, to the extent practicable, in a
9 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
10 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
11 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
12 Penalty and Interest Act.

13 (Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28,
14 eff. 6-20-03; revised 8-1-03.)

15 (230 ILCS 10/13) (from Ch. 120, par. 2413)

16 Sec. 13. Wagering tax; rate; distribution.

17 (a) Until January 1, 1998, a tax is imposed on the adjusted
18 gross receipts received from gambling games authorized under
19 this Act at the rate of 20%.

20 (a-1) From January 1, 1998 until July 1, 2002, a privilege
21 tax is imposed on persons engaged in the business of conducting
22 riverboat gambling operations, based on the adjusted gross
23 receipts received by a licensed owner from gambling games
24 authorized under this Act at the following rates:

25 15% of annual adjusted gross receipts up to and
26 including \$25,000,000;

27 20% of annual adjusted gross receipts in excess of
28 \$25,000,000 but not exceeding \$50,000,000;

29 25% of annual adjusted gross receipts in excess of
30 \$50,000,000 but not exceeding \$75,000,000;

31 30% of annual adjusted gross receipts in excess of
32 \$75,000,000 but not exceeding \$100,000,000;

33 35% of annual adjusted gross receipts in excess of
34 \$100,000,000.

35 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax

1 is imposed on persons engaged in the business of conducting
2 riverboat gambling operations, other than licensed managers
3 conducting riverboat gambling operations on behalf of the
4 State, based on the adjusted gross receipts received by a
5 licensed owner from gambling games authorized under this Act at
6 the following rates:

7 15% of annual adjusted gross receipts up to and
8 including \$25,000,000;

9 22.5% of annual adjusted gross receipts in excess of
10 \$25,000,000 but not exceeding \$50,000,000;

11 27.5% of annual adjusted gross receipts in excess of
12 \$50,000,000 but not exceeding \$75,000,000;

13 32.5% of annual adjusted gross receipts in excess of
14 \$75,000,000 but not exceeding \$100,000,000;

15 37.5% of annual adjusted gross receipts in excess of
16 \$100,000,000 but not exceeding \$150,000,000;

17 45% of annual adjusted gross receipts in excess of
18 \$150,000,000 but not exceeding \$200,000,000;

19 50% of annual adjusted gross receipts in excess of
20 \$200,000,000.

21 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
22 persons engaged in the business of conducting riverboat
23 gambling operations, other than licensed managers conducting
24 riverboat gambling operations on behalf of the State, based on
25 the adjusted gross receipts received by a licensed owner from
26 gambling games authorized under this Act at the following
27 rates:

28 15% of annual adjusted gross receipts up to and
29 including \$25,000,000;

30 27.5% of annual adjusted gross receipts in excess of
31 \$25,000,000 but not exceeding \$37,500,000;

32 32.5% of annual adjusted gross receipts in excess of
33 \$37,500,000 but not exceeding \$50,000,000;

34 37.5% of annual adjusted gross receipts in excess of
35 \$50,000,000 but not exceeding \$75,000,000;

36 45% of annual adjusted gross receipts in excess of

1 \$75,000,000 but not exceeding \$100,000,000;
2 50% of annual adjusted gross receipts in excess of
3 \$100,000,000 but not exceeding \$250,000,000;
4 70% of annual adjusted gross receipts in excess of
5 \$250,000,000.

6 An amount equal to the amount of wagering taxes collected
7 under this subsection (a-3) that are in addition to the amount
8 of wagering taxes that would have been collected if the
9 wagering tax rates under subsection (a-2) were in effect shall
10 be paid into the Common School Fund.

11 The privilege tax imposed under this subsection (a-3) shall
12 no longer be imposed beginning on the earlier of (i) July 1,
13 2004 ~~2005~~; (ii) the first date after June 20, 2003 ~~the~~
14 ~~effective date of this amendatory Act of the 93rd General~~
15 ~~Assembly~~ that riverboat gambling operations are conducted
16 pursuant to a dormant license; or (iii) the first day that
17 riverboat gambling operations are conducted under the
18 authority of an owners license that is in addition to the 10
19 owners licenses initially authorized under this Act. For the
20 purposes of this subsection (a-3), the term "dormant license"
21 means an owners license that is authorized by this Act under
22 which no riverboat gambling operations are being conducted on
23 June 20, 2003 ~~the effective date of this amendatory Act of the~~
24 ~~93rd General Assembly~~.

25 (a-4) Beginning on the first day on which the tax imposed
26 under subsection (a-3) is no longer imposed, a privilege tax is
27 imposed on persons engaged in the business of conducting
28 riverboat gambling operations, other than licensed managers
29 conducting riverboat gambling operations on behalf of the
30 State, based on the adjusted gross receipts received by a
31 licensed owner from gambling games authorized under this Act at
32 the following rates:

33 15% of annual adjusted gross receipts up to and
34 including \$25,000,000;

35 22.5% of annual adjusted gross receipts in excess of
36 \$25,000,000 but not exceeding \$50,000,000;

1 27.5% of annual adjusted gross receipts in excess of
2 \$50,000,000 but not exceeding \$75,000,000;

3 32.5% of annual adjusted gross receipts in excess of
4 \$75,000,000 but not exceeding \$100,000,000;

5 37.5% of annual adjusted gross receipts in excess of
6 \$100,000,000 but not exceeding \$150,000,000;

7 45% of annual adjusted gross receipts in excess of
8 \$150,000,000 but not exceeding \$200,000,000;

9 50% of annual adjusted gross receipts in excess of
10 \$200,000,000.

11 (a-8) Riverboat gambling operations conducted by a
12 licensed manager on behalf of the State are not subject to the
13 tax imposed under this Section.

14 (a-10) The taxes imposed by this Section shall be paid by
15 the licensed owner to the Board not later than 3:00 o'clock
16 p.m. of the day after the day when the wagers were made.

17 (b) Until January 1, 1998, 25% of the tax revenue deposited
18 in the State Gaming Fund under this Section shall be paid,
19 subject to appropriation by the General Assembly, to the unit
20 of local government which is designated as the home dock of the
21 riverboat. Beginning January 1, 1998, from the tax revenue
22 deposited in the State Gaming Fund under this Section, an
23 amount equal to 5% of adjusted gross receipts generated by a
24 riverboat shall be paid monthly, subject to appropriation by
25 the General Assembly, to the unit of local government that is
26 designated as the home dock of the riverboat. From the tax
27 revenue deposited in the State Gaming Fund pursuant to
28 riverboat gambling operations conducted by a licensed manager
29 on behalf of the State, an amount equal to 5% of adjusted gross
30 receipts generated pursuant to those riverboat gambling
31 operations shall be paid monthly, subject to appropriation by
32 the General Assembly, to the unit of local government that is
33 designated as the home dock of the riverboat upon which those
34 riverboat gambling operations are conducted.

35 (c) Appropriations, as approved by the General Assembly,
36 may be made from the State Gaming Fund to the Department of

1 Revenue and the Department of State Police for the
2 administration and enforcement of this Act, or to the
3 Department of Human Services for the administration of programs
4 to treat problem gambling.

5 (c-5) After the payments required under subsections (b) and
6 (c) have been made, an amount equal to 15% of the adjusted
7 gross receipts of (1) an owners licensee that relocates
8 pursuant to Section 11.2, (2) an owners licensee ~~license~~
9 conducting riverboat gambling operations pursuant to an owners
10 license that is initially issued after June 25, 1999, or (3)
11 the first riverboat gambling operations conducted by a licensed
12 manager on behalf of the State under Section 7.2, whichever
13 comes first, shall be paid from the State Gaming Fund into the
14 Horse Racing Equity Fund.

15 (c-10) Each year the General Assembly shall appropriate
16 from the General Revenue Fund to the Education Assistance Fund
17 an amount equal to the amount paid into the Horse Racing Equity
18 Fund pursuant to subsection (c-5) in the prior calendar year.

19 (c-15) After the payments required under subsections (b),
20 (c), and (c-5) have been made, an amount equal to 2% of the
21 adjusted gross receipts of (1) an owners licensee that
22 relocates pursuant to Section 11.2, (2) an owners licensee
23 conducting riverboat gambling operations pursuant to an owners
24 license that is initially issued after June 25, 1999, or (3)
25 the first riverboat gambling operations conducted by a licensed
26 manager on behalf of the State under Section 7.2, whichever
27 comes first, shall be paid, subject to appropriation from the
28 General Assembly, from the State Gaming Fund to each home rule
29 county with a population of over 3,000,000 inhabitants for the
30 purpose of enhancing the county's criminal justice system.

31 (c-20) Each year the General Assembly shall appropriate
32 from the General Revenue Fund to the Education Assistance Fund
33 an amount equal to the amount paid to each home rule county
34 with a population of over 3,000,000 inhabitants pursuant to
35 subsection (c-15) in the prior calendar year.

36 (c-25) After the payments required under subsections (b),

1 (c), (c-5) and (c-15) have been made, an amount equal to 2% of
2 the adjusted gross receipts of (1) an owners licensee ~~license~~
3 that relocates pursuant to Section 11.2, (2) an owners licensee
4 ~~license~~ conducting riverboat gambling operations pursuant to
5 an owners license that is initially issued after June 25, 1999,
6 or (3) the first riverboat gambling operations conducted by a
7 licensed manager on behalf of the State under Section 7.2,
8 whichever comes first, shall be paid from the State Gaming Fund
9 to Chicago State University.

10 (d) From time to time, the Board shall transfer the
11 remainder of the funds generated by this Act into the Education
12 Assistance Fund, created by Public Act 86-0018, of the State of
13 Illinois.

14 (e) Nothing in this Act shall prohibit the unit of local
15 government designated as the home dock of the riverboat from
16 entering into agreements with other units of local government
17 in this State or in other states to share its portion of the
18 tax revenue.

19 (f) To the extent practicable, the Board shall administer
20 and collect the wagering taxes imposed by this Section in a
21 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
22 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the
23 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
24 Penalty and Interest Act.

25 (Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28,
26 eff. 6-20-03; revised 10-3-03.)

27 Section 99. Effective date. This Act takes effect upon
28 becoming law.