

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 1. Findings. The legislature makes all of the  
5 following findings:

6 (1) That riverboat gaming has had a negative impact on  
7 horse racing. From 1992, the first full year of riverboat  
8 operations, through 2005, Illinois on-track wagering has  
9 decreased by 42% from \$835 million to \$482 million.

10 (2) That this decrease in wagering has negatively  
11 impacted purses for Illinois racing, which has hurt the  
12 State's breeding industry. Between 1991 and 2004 the number  
13 of foals registered with the Department of Agriculture has  
14 decreased by more than 46% from 3,529 to 1,891.

15 (3) That the decline of the Illinois horseracing and  
16 breeding program, a \$2.5 billion industry, would be  
17 reversed if this amendatory Act of the 94th General  
18 Assembly was enacted. By requiring that riverboats agree to  
19 pay 3% of their gross revenue into the Horse Racing Equity  
20 Trust Fund, total purses in the State may increase by 50%,  
21 helping Illinois tracks to better compete with those in  
22 other states. Illinois currently ranks thirteenth  
23 nationally in terms of its purse size; the change would  
24 propel the State to second or third.

25 (4) That Illinois agriculture and other businesses  
26 that support and supply the horse racing industry, already  
27 a sector that employs over 37,000 Illinoisans, also stand  
28 to substantially benefit and would be much more likely to  
29 create additional jobs should Illinois horse racing once  
30 again become competitive with other states.

31 (5) That the 3% of gross revenues this amendatory Act  
32 of the 94th General Assembly will contribute to the horse  
33 racing industry will benefit that important industry for

1 Illinois farmers, breeders, and fans of horseracing and  
2 will begin to address the negative impact riverboat gaming  
3 has had on Illinois horseracing.

4 Section 5. The State Finance Act is amended by changing  
5 Section 8h as follows:

6 (30 ILCS 105/8h)

7 Sec. 8h. Transfers to General Revenue Fund.

8 (a) Except as provided in subsection (b), notwithstanding  
9 any other State law to the contrary, the Governor may, through  
10 June 30, 2007, from time to time direct the State Treasurer and  
11 Comptroller to transfer a specified sum from any fund held by  
12 the State Treasurer to the General Revenue Fund in order to  
13 help defray the State's operating costs for the fiscal year.  
14 The total transfer under this Section from any fund in any  
15 fiscal year shall not exceed the lesser of (i) 8% of the  
16 revenues to be deposited into the fund during that fiscal year  
17 or (ii) an amount that leaves a remaining fund balance of 25%  
18 of the July 1 fund balance of that fiscal year. In fiscal year  
19 2005 only, prior to calculating the July 1, 2004 final  
20 balances, the Governor may calculate and direct the State  
21 Treasurer with the Comptroller to transfer additional amounts  
22 determined by applying the formula authorized in Public Act  
23 93-839 to the funds balances on July 1, 2003. No transfer may  
24 be made from a fund under this Section that would have the  
25 effect of reducing the available balance in the fund to an  
26 amount less than the amount remaining unexpended and unreserved  
27 from the total appropriation from that fund estimated to be  
28 expended for that fiscal year. This Section does not apply to  
29 any funds that are restricted by federal law to a specific use,  
30 to any funds in the Motor Fuel Tax Fund, the Intercity  
31 Passenger Rail Fund, the Hospital Provider Fund, the Medicaid  
32 Provider Relief Fund, the Teacher Health Insurance Security  
33 Fund, the Reviewing Court Alternative Dispute Resolution Fund,  
34 ~~or~~ the Voters' Guide Fund, the Foreign Language Interpreter

1 Fund, the Lawyers' Assistance Program Fund, the Supreme Court  
2 Federal Projects Fund, the Supreme Court Special State Projects  
3 Fund, ~~or~~ the Low-Level Radioactive Waste Facility Development  
4 and Operation Fund, the Horse Racing Equity Trust Fund, or the  
5 Hospital Basic Services Preservation Fund, or to any funds to  
6 which subsection (f) of Section 20-40 of the Nursing and  
7 Advanced Practice Nursing Act applies. No transfers may be made  
8 under this Section from the Pet Population Control Fund.  
9 Notwithstanding any other provision of this Section, for fiscal  
10 year 2004, the total transfer under this Section from the Road  
11 Fund or the State Construction Account Fund shall not exceed  
12 the lesser of (i) 5% of the revenues to be deposited into the  
13 fund during that fiscal year or (ii) 25% of the beginning  
14 balance in the fund. For fiscal year 2005 through fiscal year  
15 2007, no amounts may be transferred under this Section from the  
16 Road Fund, the State Construction Account Fund, the Criminal  
17 Justice Information Systems Trust Fund, the Wireless Service  
18 Emergency Fund, or the Mandatory Arbitration Fund.

19 In determining the available balance in a fund, the  
20 Governor may include receipts, transfers into the fund, and  
21 other resources anticipated to be available in the fund in that  
22 fiscal year.

23 The State Treasurer and Comptroller shall transfer the  
24 amounts designated under this Section as soon as may be  
25 practicable after receiving the direction to transfer from the  
26 Governor.

27 (b) This Section does not apply to: (i) the Ticket For The  
28 Cure Fund; (ii) ~~or to~~ any fund established under the Community  
29 Senior Services and Resources Act; or (iii) ~~(ii)~~ on or after  
30 January 1, 2006 (the effective date of Public Act 94-511) ~~this~~  
31 ~~amendatory Act of the 94th General Assembly~~, the Child Labor  
32 and Day and Temporary Labor Enforcement Fund.

33 (c) This Section does not apply to the Demutualization  
34 Trust Fund established under the Uniform Disposition of  
35 Unclaimed Property Act.

36 (d) ~~(e)~~ This Section does not apply to moneys set aside in

1 the Illinois State Podiatric Disciplinary Fund for podiatric  
2 scholarships and residency programs under the Podiatric  
3 Scholarship and Residency Act.

4 (Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674,  
5 eff. 6-10-04; 93-714, eff. 7-12-04; 93-801, eff. 7-22-04;  
6 93-839, eff. 7-30-04; 93-1054, eff. 11-18-04; 93-1067, eff.  
7 1-15-05; 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511, eff.  
8 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05; 94-645,  
9 eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff. 11-2-05;  
10 94-691, eff. 11-2-05; 94-726, eff. 1-20-06; revised 1-23-06.)

11 Section 10. The Illinois Horse Racing Act of 1975 is  
12 amended by changing Section 54 as follows:

13 (230 ILCS 5/54)

14 Sec. 54. Horse Racing Equity Trust Fund.

15 (a) There is created ~~in the State Treasury~~ a Fund to be  
16 known as the Horse Racing Equity Trust Fund, which is a  
17 non-appropriated trust fund held separate and apart from State  
18 moneys. The Fund shall consist of moneys paid into it by owners  
19 licensees under ~~pursuant to subsection (c-5) of Section 13 of~~  
20 the Riverboat Gambling Act for the purposes described in this  
21 Section. The Fund shall be administered by the Board. Moneys in  
22 the Fund shall be distributed as directed and certified by the  
23 Board in accordance with the provisions of subsection (b) ~~the~~  
24 Racing Board.

25 (b) The moneys deposited into the Fund, plus any accrued  
26 interest on those moneys, shall be distributed ~~by the State~~  
27 ~~Treasurer~~ within 10 days after those moneys are deposited into  
28 the Fund as follows:

29 (1) Sixty percent ~~Fifty percent~~ of all moneys  
30 distributed under this subsection shall be distributed to  
31 organization licensees to be distributed at their race  
32 meetings as purses. Fifty-seven percent of the amount  
33 distributed under this paragraph (1) shall be distributed  
34 for thoroughbred race meetings and 43% shall be distributed

1 for standardbred race meetings. Within each breed, moneys  
2 shall be allocated to each organization licensee's purse  
3 fund in accordance with the ratio between the purses  
4 generated for that breed by that licensee during the prior  
5 calendar year and the total purses generated throughout the  
6 State for that breed during the prior calendar year by  
7 licensees in the current calendar year.

8 (2) The remaining ~~40%~~ ~~50%~~ of the moneys distributed  
9 under this subsection (b) shall be distributed as follows:

10 (A) 11% shall be distributed to any person (or its  
11 successors or assigns) who had operating control of a  
12 racetrack that conducted live racing in 2002 at a  
13 racetrack in a county with at least 230,000 inhabitants  
14 that borders the Mississippi River and is a licensee in  
15 the current year; and

16 (B) the remaining 89% shall be distributed pro rata  
17 according to the aggregate proportion of total  
18 state-wide handle from wagering on live races  
19 conducted in Illinois (irrespective of where the  
20 wagers are placed) for calendar years 2004 and 2005 at  
21 the racetrack, inter-track, and inter-track wagering  
22 locations that derive their licenses from a racetrack  
23 identified in this paragraph (2) for calendar years  
24 1994, 1996, and 1997 to (i) any person (or its  
25 successors or assigns) who (i) had majority operating  
26 control of a racing facility at which live racing was  
27 conducted in calendar year 2002, (ii) 1997 and who has  
28 operating control of an organization licensee that  
29 conducted racing in calendar year 1997 and is a  
30 licensee in the current year, and (iii) is not eligible  
31 to receive moneys under subparagraph (A) of this  
32 paragraph (2). , or (ii) any person (or its successors  
33 or assigns) who has operating control of a racing  
34 facility located in a county that is bounded by the  
35 Mississippi River that has a population of less than  
36 150,000 according to the 1990 decennial census and

1 ~~conducted an average of 60 days of racing per year~~  
2 ~~between 1985 and 1993 and has been awarded an~~  
3 ~~inter-track wagering license in the current year.~~

4 The moneys received by an organization licensee under  
5 this paragraph (2) shall be used by each organization  
6 licensee to improve, maintain, market, and otherwise  
7 operate its racing facilities to conduct live racing, which  
8 shall include backstretch services and capital  
9 improvements related to live racing and the backstretch.  
10 Any organization licensees sharing common ownership may  
11 pool the moneys received and spent at all racing facilities  
12 commonly owned in order to meet these requirements.

13 If any person identified in this paragraph (2) becomes  
14 ineligible to receive moneys from the Fund, such amount  
15 shall be redistributed among the remaining persons in  
16 proportion to their percentages otherwise calculated.

17 (c) The Board shall monitor organization licensees to  
18 ensure that moneys paid to organization licensees under this  
19 Section are distributed by the organization licensees as  
20 provided in subsection (b).

21 (Source: P.A. 91-40, eff. 6-25-99.)

22 Section 15. The Riverboat Gambling Act is amended by  
23 changing Sections 7, 13, and 23 as follows:

24 (230 ILCS 10/7) (from Ch. 120, par. 2407)

25 Sec. 7. Owners Licenses.

26 (a) The Board shall issue owners licenses to persons, firms  
27 or corporations which apply for such licenses upon payment to  
28 the Board of the non-refundable license fee set by the Board,  
29 upon payment of a \$25,000 license fee for the first year of  
30 operation and a \$5,000 license fee for each succeeding year and  
31 upon a determination by the Board that the applicant is  
32 eligible for an owners license pursuant to this Act and the  
33 rules of the Board. As a condition of licensure and as a  
34 successor source of payment for those funds previously payable

1 under subsection (c-5) of Section 13 of the Riverboat Gambling  
2 Act, any owners licensee that holds or receives its owners  
3 license on or after the effective date of this amendatory Act  
4 of the 94th General Assembly, other than an owners licensee  
5 operating a riverboat with adjusted gross receipts in calendar  
6 year 2004 of less than \$50,000,000, must pay into the Horse  
7 Racing Equity Trust Fund, in addition to any other payments  
8 required under this Act, an amount equal to 3% of the adjusted  
9 gross receipts received by the owners licensee. The payments  
10 required under this Section shall be made by the owners  
11 licensee to the State Treasurer no later than 3:00 o'clock p.m.  
12 of the day after the day when the adjusted gross receipts were  
13 received by the owners licensee. A person, firm or corporation  
14 is ineligible to receive an owners license if:

15 (1) the person has been convicted of a felony under the  
16 laws of this State, any other state, or the United States;

17 (2) the person has been convicted of any violation of  
18 Article 28 of the Criminal Code of 1961, or substantially  
19 similar laws of any other jurisdiction;

20 (3) the person has submitted an application for a  
21 license under this Act which contains false information;

22 (4) the person is a member of the Board;

23 (5) a person defined in (1), (2), (3) or (4) is an  
24 officer, director or managerial employee of the firm or  
25 corporation;

26 (6) the firm or corporation employs a person defined in  
27 (1), (2), (3) or (4) who participates in the management or  
28 operation of gambling operations authorized under this  
29 Act;

30 (7) (blank); or

31 (8) a license of the person, firm or corporation issued  
32 under this Act, or a license to own or operate gambling  
33 facilities in any other jurisdiction, has been revoked.

34 (b) In determining whether to grant an owners license to an  
35 applicant, the Board shall consider:

36 (1) the character, reputation, experience and

1 financial integrity of the applicants and of any other or  
2 separate person that either:

3 (A) controls, directly or indirectly, such  
4 applicant, or

5 (B) is controlled, directly or indirectly, by such  
6 applicant or by a person which controls, directly or  
7 indirectly, such applicant;

8 (2) the facilities or proposed facilities for the  
9 conduct of riverboat gambling;

10 (3) the highest prospective total revenue to be derived  
11 by the State from the conduct of riverboat gambling;

12 (4) the extent to which the ownership of the applicant  
13 reflects the diversity of the State by including minority  
14 persons and females and the good faith affirmative action  
15 plan of each applicant to recruit, train and upgrade  
16 minority persons and females in all employment  
17 classifications;

18 (5) the financial ability of the applicant to purchase  
19 and maintain adequate liability and casualty insurance;

20 (6) whether the applicant has adequate capitalization  
21 to provide and maintain, for the duration of a license, a  
22 riverboat;

23 (7) the extent to which the applicant exceeds or meets  
24 other standards for the issuance of an owners license which  
25 the Board may adopt by rule; and

26 (8) The amount of the applicant's license bid.

27 (c) Each owners license shall specify the place where  
28 riverboats shall operate and dock.

29 (d) Each applicant shall submit with his application, on  
30 forms provided by the Board, 2 sets of his fingerprints.

31 (e) The Board may issue up to 10 licenses authorizing the  
32 holders of such licenses to own riverboats. In the application  
33 for an owners license, the applicant shall state the dock at  
34 which the riverboat is based and the water on which the  
35 riverboat will be located. The Board shall issue 5 licenses to  
36 become effective not earlier than January 1, 1991. Three of



1 such licenses shall authorize riverboat gambling on the  
2 Mississippi River, or, with approval by the municipality in  
3 which the riverboat was docked on August 7, 2003 and with Board  
4 approval, be authorized to relocate to a new location, in a  
5 municipality that (1) borders on the Mississippi River or is  
6 within 5 miles of the city limits of a municipality that  
7 borders on the Mississippi River and (2), on August 7, 2003,  
8 had a riverboat conducting riverboat gambling operations  
9 pursuant to a license issued under this Act; one of which shall  
10 authorize riverboat gambling from a home dock in the city of  
11 East St. Louis. One other license shall authorize riverboat  
12 gambling on the Illinois River south of Marshall County. The  
13 Board shall issue one additional license to become effective  
14 not earlier than March 1, 1992, which shall authorize riverboat  
15 gambling on the Des Plaines River in Will County. The Board may  
16 issue 4 additional licenses to become effective not earlier  
17 than March 1, 1992. In determining the water upon which  
18 riverboats will operate, the Board shall consider the economic  
19 benefit which riverboat gambling confers on the State, and  
20 shall seek to assure that all regions of the State share in the  
21 economic benefits of riverboat gambling.

22 In granting all licenses, the Board may give favorable  
23 consideration to economically depressed areas of the State, to  
24 applicants presenting plans which provide for significant  
25 economic development over a large geographic area, and to  
26 applicants who currently operate non-gambling riverboats in  
27 Illinois. The Board shall review all applications for owners  
28 licenses, and shall inform each applicant of the Board's  
29 decision. The Board may grant an owners license to an applicant  
30 that has not submitted the highest license bid, but if it does  
31 not select the highest bidder, the Board shall issue a written  
32 decision explaining why another applicant was selected and  
33 identifying the factors set forth in this Section that favored  
34 the winning bidder.

35 In addition to any other revocation powers granted to the  
36 Board under this Act, the Board may revoke the owners license

1 of a licensee which fails to begin conducting gambling within  
2 15 months of receipt of the Board's approval of the application  
3 if the Board determines that license revocation is in the best  
4 interests of the State.

5 (f) The first 10 owners licenses issued under this Act  
6 shall permit the holder to own up to 2 riverboats and equipment  
7 thereon for a period of 3 years after the effective date of the  
8 license. Holders of the first 10 owners licenses must pay the  
9 annual license fee for each of the 3 years during which they  
10 are authorized to own riverboats.

11 (g) Upon the termination, expiration, or revocation of each  
12 of the first 10 licenses, which shall be issued for a 3 year  
13 period, all licenses are renewable annually upon payment of the  
14 fee and a determination by the Board that the licensee  
15 continues to meet all of the requirements of this Act and the  
16 Board's rules. However, for licenses renewed on or after May 1,  
17 1998, renewal shall be for a period of 4 years, unless the  
18 Board sets a shorter period.

19 (h) An owners license shall entitle the licensee to own up  
20 to 2 riverboats. A licensee shall limit the number of gambling  
21 participants to 1,200 for any such owners license. A licensee  
22 may operate both of its riverboats concurrently, provided that  
23 the total number of gambling participants on both riverboats  
24 does not exceed 1,200. Riverboats licensed to operate on the  
25 Mississippi River and the Illinois River south of Marshall  
26 County shall have an authorized capacity of at least 500  
27 persons. Any other riverboat licensed under this Act shall have  
28 an authorized capacity of at least 400 persons.

29 (i) A licensed owner is authorized to apply to the Board  
30 for and, if approved therefor, to receive all licenses from the  
31 Board necessary for the operation of a riverboat, including a  
32 liquor license, a license to prepare and serve food for human  
33 consumption, and other necessary licenses. All use, occupation  
34 and excise taxes which apply to the sale of food and beverages  
35 in this State and all taxes imposed on the sale or use of  
36 tangible personal property apply to such sales aboard the

1 riverboat.

2 (j) The Board may issue or re-issue a license authorizing a  
3 riverboat to dock in a municipality or approve a relocation  
4 under Section 11.2 only if, prior to the issuance or  
5 re-issuance of the license or approval, the governing body of  
6 the municipality in which the riverboat will dock has by a  
7 majority vote approved the docking of riverboats in the  
8 municipality. The Board may issue or re-issue a license  
9 authorizing a riverboat to dock in areas of a county outside  
10 any municipality or approve a relocation under Section 11.2  
11 only if, prior to the issuance or re-issuance of the license or  
12 approval, the governing body of the county has by a majority  
13 vote approved of the docking of riverboats within such areas.

14 (Source: P.A. 93-28, eff. 6-20-03; 93-453, eff. 8-7-03; 94-667,  
15 eff. 8-23-05.)

16 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

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

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

28 20% of annual adjusted gross receipts in excess of  
29 \$25,000,000 but not exceeding \$50,000,000;

30 25% of annual adjusted gross receipts in excess of  
31 \$50,000,000 but not exceeding \$75,000,000;

32 30% of annual adjusted gross receipts in excess of  
33 \$75,000,000 but not exceeding \$100,000,000;

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

1 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax  
2 is imposed on persons engaged in the business of conducting  
3 riverboat gambling operations, other than licensed managers  
4 conducting riverboat gambling operations on behalf of the  
5 State, based on the adjusted gross receipts received by a  
6 licensed owner from gambling games authorized under this Act at  
7 the following rates:

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

10 22.5% of annual adjusted gross receipts in excess of  
11 \$25,000,000 but not exceeding \$50,000,000;

12 27.5% of annual adjusted gross receipts in excess of  
13 \$50,000,000 but not exceeding \$75,000,000;

14 32.5% of annual adjusted gross receipts in excess of  
15 \$75,000,000 but not exceeding \$100,000,000;

16 37.5% of annual adjusted gross receipts in excess of  
17 \$100,000,000 but not exceeding \$150,000,000;

18 45% of annual adjusted gross receipts in excess of  
19 \$150,000,000 but not exceeding \$200,000,000;

20 50% of annual adjusted gross receipts in excess of  
21 \$200,000,000.

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

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

31 27.5% of annual adjusted gross receipts in excess of  
32 \$25,000,000 but not exceeding \$37,500,000;

33 32.5% of annual adjusted gross receipts in excess of  
34 \$37,500,000 but not exceeding \$50,000,000;

35 37.5% of annual adjusted gross receipts in excess of  
36 \$50,000,000 but not exceeding \$75,000,000;

1           45% of annual adjusted gross receipts in excess of  
2           \$75,000,000 but not exceeding \$100,000,000;

3           50% of annual adjusted gross receipts in excess of  
4           \$100,000,000 but not exceeding \$250,000,000;

5           70% of annual adjusted gross receipts in excess of  
6           \$250,000,000.

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

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

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

31                 15% of annual adjusted gross receipts up to and  
32                 including \$25,000,000;

33                 22.5% of annual adjusted gross receipts in excess of  
34                 \$25,000,000 but not exceeding \$50,000,000;

35                 27.5% of annual adjusted gross receipts in excess of  
36                 \$50,000,000 but not exceeding \$75,000,000;

1           32.5% of annual adjusted gross receipts in excess of  
2           \$75,000,000 but not exceeding \$100,000,000;

3           37.5% of annual adjusted gross receipts in excess of  
4           \$100,000,000 but not exceeding \$150,000,000;

5           45% of annual adjusted gross receipts in excess of  
6           \$150,000,000 but not exceeding \$200,000,000;

7           50% of annual adjusted gross receipts in excess of  
8           \$200,000,000.

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

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

15          (a-15) If the privilege tax imposed under subsection (a-3)  
16          is no longer imposed pursuant to item (i) of the last paragraph  
17          of subsection (a-3), then by June 15 of each year, each owners  
18          licensee, other than an owners licensee that admitted 1,000,000  
19          persons or fewer in calendar year 2004, must, in addition to  
20          the payment of all amounts otherwise due under this Section,  
21          pay to the Board the amount, if any, by which the base amount  
22          for the licensed owner exceeds the amount of tax paid under  
23          this Section by the licensed owner in the then current State  
24          fiscal year. The obligation imposed by this subsection (a-15)  
25          is binding on any person, firm, corporation, or other entity  
26          that acquires an ownership interest in any such owners license.  
27          The obligation imposed under this subsection (a-15) terminates  
28          on the earliest of: (i) July 1, 2007, (ii) the first day after  
29          the effective date of this amendatory Act of the 94th General  
30          Assembly that riverboat gambling operations are conducted  
31          pursuant to a dormant license, (iii) the first day that  
32          riverboat gambling operations are conducted under the  
33          authority of an owners license that is in addition to the 10  
34          owners licenses initially authorized under this Act, or (iv)  
35          the first day that a licensee under the Illinois Horse Racing  
36          Act of 1975 conducts gaming operations with slot machines or

1 other electronic gaming devices. The Board must reduce the  
2 obligation imposed under this subsection (a-15) by an amount  
3 the Board deems reasonable for any of the following reasons:  
4 (A) an act or acts of God, (B) an act of bioterrorism or  
5 terrorism or a bioterrorism or terrorism threat that was  
6 investigated by a law enforcement agency, or (C) a condition  
7 beyond the control of the owners licensee that does not result  
8 from any act or omission by the owners licensee or any of its  
9 agents and that poses a hazardous threat to the health and  
10 safety of patrons. If an owners licensee pays an amount in  
11 excess of its liability under this Section, the Board shall  
12 apply the overpayment to future payments required under this  
13 Section.

14 For purposes of this subsection (a-15):

15 "Act of God" means an incident caused by the operation of  
16 an extraordinary force that cannot be foreseen, that cannot be  
17 avoided by the exercise of due care, and for which no person  
18 can be held liable.

19 "Base amount" means the following:

20 For a riverboat in Alton, \$31,000,000.

21 For a riverboat in East Peoria, \$43,000,000.

22 For the Empress riverboat in Joliet, \$86,000,000.

23 For a riverboat in Metropolis, \$45,000,000.

24 For the Harrah's riverboat in Joliet, \$114,000,000.

25 For a riverboat in Aurora, \$86,000,000.

26 For a riverboat in East St. Louis, \$48,500,000.

27 For a riverboat in Elgin, \$198,000,000.

28 "Dormant license" has the meaning ascribed to it in  
29 subsection (a-3).

30 (b) Until January 1, 1998, 25% of the tax revenue deposited  
31 in the State Gaming Fund under this Section shall be paid,  
32 subject to appropriation by the General Assembly, to the unit  
33 of local government which is designated as the home dock of the  
34 riverboat. Beginning January 1, 1998, from the tax revenue  
35 deposited in the State Gaming Fund under this Section, an  
36 amount equal to 5% of adjusted gross receipts generated by a

1 riverboat shall be paid monthly, subject to appropriation by  
2 the General Assembly, to the unit of local government that is  
3 designated as the home dock of the riverboat. From the tax  
4 revenue deposited in the State Gaming Fund pursuant to  
5 riverboat gambling operations conducted by a licensed manager  
6 on behalf of the State, an amount equal to 5% of adjusted gross  
7 receipts generated pursuant to those riverboat gambling  
8 operations shall be paid monthly, subject to appropriation by  
9 the General Assembly, to the unit of local government that is  
10 designated as the home dock of the riverboat upon which those  
11 riverboat gambling operations are conducted.

12 (c) Appropriations, as approved by the General Assembly,  
13 may be made from the State Gaming Fund to the Department of  
14 Revenue and the Department of State Police for the  
15 administration and enforcement of this Act, or to the  
16 Department of Human Services for the administration of programs  
17 to treat problem gambling.

18 (c-5) (Blank). ~~After the payments required under~~  
19 ~~subsections (b) and (c) have been made, an amount equal to 15%~~  
20 ~~of the adjusted gross receipts of (1) an owners licensee that~~  
21 ~~relocates pursuant to Section 11.2, (2) an owners licensee~~  
22 ~~conducting riverboat gambling operations pursuant to an owners~~  
23 ~~license that is initially issued after June 25, 1999, or (3)~~  
24 ~~the first riverboat gambling operations conducted by a licensed~~  
25 ~~manager on behalf of the State under Section 7.3, whichever~~  
26 ~~comes first, shall be paid from the State Gaming Fund into the~~  
27 ~~Horse Racing Equity Fund.~~

28 (c-10) (Blank). ~~Each year the General Assembly shall~~  
29 ~~appropriate from the General Revenue Fund to the Education~~  
30 ~~Assistance Fund an amount equal to the amount paid into the~~  
31 ~~Horse Racing Equity Fund pursuant to subsection (c-5) in the~~  
32 ~~prior calendar year.~~

33 (c-15) After the payments required under subsections (b),  
34 (c), and (c-5) have been made, an amount equal to 2% of the  
35 adjusted gross receipts of (1) an owners licensee that  
36 relocates pursuant to Section 11.2, (2) an owners licensee



1 conducting riverboat gambling operations pursuant to an owners  
2 license that is initially issued after June 25, 1999, or (3)  
3 the first riverboat gambling operations conducted by a licensed  
4 manager on behalf of the State under Section 7.3, whichever  
5 comes first, shall be paid, subject to appropriation from the  
6 General Assembly, from the State Gaming Fund to each home rule  
7 county with a population of over 3,000,000 inhabitants for the  
8 purpose of enhancing the county's criminal justice system.

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

14 (c-25) After the payments required under subsections (b),  
15 (c), (c-5) and (c-15) have been made, an amount equal to 2% of  
16 the adjusted gross receipts of (1) an owners licensee that  
17 relocates pursuant to Section 11.2, (2) an owners licensee  
18 conducting riverboat gambling operations pursuant to an owners  
19 license that is initially issued after June 25, 1999, or (3)  
20 the first riverboat gambling operations conducted by a licensed  
21 manager on behalf of the State under Section 7.3, whichever  
22 comes first, shall be paid from the State Gaming Fund to  
23 Chicago State University.

24 (d) From time to time, the Board shall transfer the  
25 remainder of the funds generated by this Act into the Education  
26 Assistance Fund, created by Public Act 86-0018, of the State of  
27 Illinois.

28 (e) Nothing in this Act shall prohibit the unit of local  
29 government designated as the home dock of the riverboat from  
30 entering into agreements with other units of local government  
31 in this State or in other states to share its portion of the  
32 tax revenue.

33 (f) To the extent practicable, the Board shall administer  
34 and collect the wagering taxes imposed by this Section in a  
35 manner consistent with the provisions of Sections 4, 5, 5a, 5b,  
36 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the

1 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
2 Penalty and Interest Act.

3 (Source: P.A. 93-27, eff. 6-20-03; 93-28, eff. 6-20-03; 94-673,  
4 eff. 8-23-05.)

5 (230 ILCS 10/23) (from Ch. 120, par. 2423)

6 Sec. 23. The State Gaming Fund. On or after the effective  
7 date of this Act, except as provided for payments into the  
8 Horse Racing Equity Trust Fund under subsection (a) of Section  
9 7, all of the fees and taxes collected pursuant to ~~subsections~~  
10 ~~of~~ this Act shall be deposited into the State Gaming Fund, a  
11 special fund in the State Treasury, which is hereby created.  
12 The adjusted gross receipts of any riverboat gambling  
13 operations conducted by a licensed manager on behalf of the  
14 State remaining after the payment of the fees and expenses of  
15 the licensed manager shall be deposited into the State Gaming  
16 Fund. Fines and penalties collected pursuant to this Act shall  
17 be deposited into the Education Assistance Fund, created by  
18 Public Act 86-0018, of the State of Illinois.

19 (Source: P.A. 93-28, eff. 6-20-03.)

20 (30 ILCS 105/5.490 rep.)

21 Section 20. The State Finance Act is amended by repealing  
22 Section 5.490.

23 Section 97. Severability. The provisions of this Act are  
24 severable under Section 1.31 of the Statute on Statutes.

25 Section 99. Effective date. This Act takes effect upon  
26 becoming law.