

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 Illinois Horse Racing Act of 1975 is amended
5 by changing Section 27 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 privilege
17 tax, breakage, and Horse Racing Tax Allocation funds shall be
18 remitted to the Department of Revenue within 48 hours after the
19 close of the racing day upon which it is assessed or within
20 such other time as the Board prescribes. The privilege tax
21 hereby imposed, until January 1, 2000, shall be a flat tax at
22 the rate of 2% of the daily pari-mutuel handle except as
23 provided in Section 27.1.

24 In addition, every organization licensee, except as
25 provided in Section 27.1 of this Act, which conducts multiple
26 wagering shall pay, until January 1, 2000, as a privilege tax
27 on multiple wagers an amount equal to 1.25% of all moneys
28 wagered each day on such multiple wagers, plus an additional
29 amount equal to 3.5% of the amount wagered each day on any
30 other multiple wager which involves a single betting interest
31 on 3 or more horses. The licensee shall remit the amount of
32 such taxes to the Department of Revenue within 48 hours after

1 the close of the racing day on which it is assessed or within
2 such other time as the Board prescribes.

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

5 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax
6 at the rate of 1.5% of the daily pari-mutuel handle is imposed
7 at all pari-mutuel wagering facilities, except as otherwise
8 provided for in this subsection (a-5). Beginning on the
9 effective date of this amendatory Act of the 94th General
10 Assembly and until moneys deposited pursuant to Section 54 are
11 distributed and received, a pari-mutuel tax at the rate of
12 0.25% of the daily pari-mutuel handle is imposed at a
13 pari-mutuel facility whose license is derived from a track
14 located in a county that borders the Mississippi River and
15 conducted live racing in the previous year. After moneys
16 deposited pursuant to Section 54 are distributed and received,
17 a pari-mutuel tax at the rate of 1.5% of the daily pari-mutuel
18 handle is imposed at a pari-mutuel facility whose license is
19 derived from a track located in a county that borders the
20 Mississippi River and conducted live racing in the previous
21 year. The pari-mutuel tax imposed by this subsection (a-5),
22 ~~which~~ shall be remitted to the Department of Revenue within 48
23 hours after the close of the racing day upon which it is
24 assessed or within such other time as the Board prescribes.

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

31 (c) Licensees shall at all times keep accurate books and
32 records of all monies wagered on each day of a race meeting and
33 of the taxes paid to the Department of Revenue under the
34 provisions of this Section. The Board or its duly authorized
35 representative or representatives shall at all reasonable
36 times have access to such records for the purpose of examining

1 and checking the same and ascertaining whether the proper
2 amount of taxes is being paid as provided. The Board shall
3 require verified reports and a statement of the total of all
4 monies wagered daily at each wagering facility upon which the
5 taxes are assessed and may prescribe forms upon which such
6 reports and statement shall be made.

7 (d) Any licensee failing or refusing to pay the amount of
8 any tax due under this Section shall be guilty of a business
9 offense and upon conviction shall be fined not more than \$5,000
10 in addition to the amount found due as tax under this Section.
11 Each day's violation shall constitute a separate offense. All
12 fines paid into Court by a licensee hereunder shall be
13 transmitted and paid over by the Clerk of the Court to the
14 Board.

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

18 (f) No other license fee, privilege tax, excise tax or
19 racing fee shall be assessed or collected from any such
20 licensee by units of local government except as provided in
21 paragraph 10.1 of subsection (h) and subsection (f) of Section
22 26 of this Act. However, any municipality that has a Board
23 licensed horse race meeting at a race track wholly within its
24 corporate boundaries or a township that has a Board licensed
25 horse race meeting at a race track wholly within the
26 unincorporated area of the township may charge a local
27 amusement tax not to exceed 10¢ per admission to such horse
28 race meeting by the enactment of an ordinance. However, any
29 municipality or county that has a Board licensed inter-track
30 wagering location facility wholly within its corporate
31 boundaries may each impose an admission fee not to exceed \$1.00
32 per admission to such inter-track wagering location facility,
33 so that a total of not more than \$2.00 per admission may be
34 imposed. Except as provided in subparagraph (g) of Section 27
35 of this Act, the inter-track wagering location licensee shall
36 collect any and all such fees and within 48 hours remit the

1 fees to the Board, which shall, pursuant to rule, cause the
2 fees to be distributed to the county or municipality.

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

18 (i) the excess amount shall be initially divided
19 between thoroughbred and standardbred purses based on the
20 thoroughbred's and standardbred's respective percentages
21 of total Illinois live wagering in calendar year 1994;

22 (ii) each thoroughbred and standardbred organization
23 licensee issued an organization licensee in that
24 succeeding allocation year shall be allocated an amount
25 equal to the product of its percentage of total Illinois
26 live thoroughbred or standardbred wagering in calendar
27 year 1994 (the total to be determined based on the sum of
28 1994 on-track wagering for all organization licensees
29 issued organization licenses in both the allocation year
30 and the preceding year) multiplied by the total amount
31 allocated for standardbred or thoroughbred purses,
32 provided that the first \$1,500,000 of the amount allocated
33 to standardbred purses under item (i) shall be allocated to
34 the Department of Agriculture to be expended with the
35 assistance and advice of the Illinois Standardbred
36 Breeders Funds Advisory Board for the purposes listed in

1 subsection (g) of Section 31 of this Act, before the amount
2 allocated to standardbred purses under item (i) is
3 allocated to standardbred organization licensees in the
4 succeeding allocation year.

5 To the extent the excess amount of taxes and fees to be
6 collected and distributed to State and local governmental
7 authorities exceeds \$11 million, that excess amount shall be
8 collected and distributed to State and local authorities as
9 provided for under this Act.

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

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.