

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.

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

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

14           (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax  
15 at the rate of 1.5% of the daily pari-mutuel handle is imposed  
16 at all pari-mutuel wagering facilities and on advance deposit  
17 wagering from a location other than a wagering facility, except  
18 as otherwise provided for in this subsection (a-5). In addition  
19 to the pari-mutuel tax imposed on advance deposit wagering  
20 pursuant to this subsection (a-5), an additional pari-mutuel  
21 tax at the rate of 0.25% shall be imposed on advance deposit  
22 wagering, the amount of which shall not exceed \$250,000 in each  
23 calendar year. The additional 0.25% pari-mutuel tax imposed on  
24 advance deposit wagering by this amendatory Act of the 96th  
25 General Assembly shall be deposited into the Quarter Horse  
26 Purse Fund, which shall be created as a non-appropriated trust

1 fund administered by the Board for grants to thoroughbred  
2 organization licensees for payment of purses for quarter horse  
3 races conducted by the organization licensee. Thoroughbred  
4 organization licensees may petition the Board to conduct  
5 quarter horse racing and receive purse grants from the Quarter  
6 Horse Purse Fund. The Board shall have complete discretion in  
7 distributing the Quarter Horse Purse Fund to the petitioning  
8 organization licensees. Beginning on the effective date of this  
9 amendatory Act of the 96th General Assembly ~~this amendatory Act~~  
10 ~~of the 94th General Assembly~~ and until moneys deposited  
11 pursuant to Section 54 are distributed and received, a  
12 pari-mutuel tax at the rate of 0.75% ~~0.25%~~ of the daily  
13 pari-mutuel handle is imposed at a pari-mutuel facility whose  
14 license is derived from a track located in a county that  
15 borders the Mississippi River and conducted live racing in the  
16 previous year. After moneys deposited pursuant to Section 54  
17 are distributed and received, a pari-mutuel tax at the rate of  
18 1.5% of the daily pari-mutuel handle is imposed at a  
19 pari-mutuel facility whose license is derived from a track  
20 located in a county that borders the Mississippi River and  
21 conducted live racing in the previous year. The pari-mutuel tax  
22 imposed by this subsection (a-5) shall be remitted to the  
23 Department of Revenue within 48 hours after the close of the  
24 racing day upon which it is assessed or within such other time  
25 as the Board prescribes.

26 (b) On or before December 31, 1999, in the event that any

1 organization licensee conducts 2 separate programs of races on  
2 any day, each such program shall be considered a separate  
3 racing day for purposes of determining the daily handle and  
4 computing the privilege tax on such daily handle as provided in  
5 subsection (a) of this Section.

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

18 (d) Any licensee failing or refusing to pay the amount of  
19 any tax due under this Section shall be guilty of a business  
20 offense and upon conviction shall be fined not more than \$5,000  
21 in addition to the amount found due as tax under this Section.  
22 Each day's violation shall constitute a separate offense. All  
23 fines paid into Court by a licensee hereunder shall be  
24 transmitted and paid over by the Clerk of the Court to the  
25 Board.

26 (e) No other license fee, privilege tax, excise tax, or

1 racing fee, except as provided in this Act, shall be assessed  
2 or collected from any such licensee by the State.

3 (f) No other license fee, privilege tax, excise tax or  
4 racing fee shall be assessed or collected from any such  
5 licensee by units of local government except as provided in  
6 paragraph 10.1 of subsection (h) and subsection (f) of Section  
7 26 of this Act. However, any municipality that has a Board  
8 licensed horse race meeting at a race track wholly within its  
9 corporate boundaries or a township that has a Board licensed  
10 horse race meeting at a race track wholly within the  
11 unincorporated area of the township may charge a local  
12 amusement tax not to exceed 10¢ per admission to such horse  
13 race meeting by the enactment of an ordinance. However, any  
14 municipality or county that has a Board licensed inter-track  
15 wagering location facility wholly within its corporate  
16 boundaries may each impose an admission fee not to exceed \$1.00  
17 per admission to such inter-track wagering location facility,  
18 so that a total of not more than \$2.00 per admission may be  
19 imposed. Except as provided in subparagraph (g) of Section 27  
20 of this Act, the inter-track wagering location licensee shall  
21 collect any and all such fees and within 48 hours remit the  
22 fees to the Board, which shall, pursuant to rule, cause the  
23 fees to be distributed to the county or municipality.

24 (g) Notwithstanding any provision in this Act to the  
25 contrary, if in any calendar year the total taxes and fees  
26 required to be collected from licensees and distributed under

1 this Act to all State and local governmental authorities  
2 exceeds the amount of such taxes and fees distributed to each  
3 State and local governmental authority to which each State and  
4 local governmental authority was entitled under this Act for  
5 calendar year 1994, then the first \$11 million of that excess  
6 amount shall be allocated at the earliest possible date for  
7 distribution as purse money for the succeeding calendar year.  
8 Upon reaching the 1994 level, and until the excess amount of  
9 taxes and fees exceeds \$11 million, the Board shall direct all  
10 licensees to cease paying the subject taxes and fees and the  
11 Board shall direct all licensees to allocate any such excess  
12 amount for purses as follows:

13 (i) the excess amount shall be initially divided  
14 between thoroughbred and standardbred purses based on the  
15 thoroughbred's and standardbred's respective percentages  
16 of total Illinois live wagering in calendar year 1994;

17 (ii) each thoroughbred and standardbred organization  
18 licensee issued an organization licensee in that  
19 succeeding allocation year shall be allocated an amount  
20 equal to the product of its percentage of total Illinois  
21 live thoroughbred or standardbred wagering in calendar  
22 year 1994 (the total to be determined based on the sum of  
23 1994 on-track wagering for all organization licensees  
24 issued organization licenses in both the allocation year  
25 and the preceding year) multiplied by the total amount  
26 allocated for standardbred or thoroughbred purses,

1 provided that the first \$1,500,000 of the amount allocated  
2 to standardbred purses under item (i) shall be allocated to  
3 the Department of Agriculture to be expended with the  
4 assistance and advice of the Illinois Standardbred  
5 Breeders Funds Advisory Board for the purposes listed in  
6 subsection (g) of Section 31 of this Act, before the amount  
7 allocated to standardbred purses under item (i) is  
8 allocated to standardbred organization licensees in the  
9 succeeding allocation year.

10 To the extent the excess amount of taxes and fees to be  
11 collected and distributed to State and local governmental  
12 authorities exceeds \$11 million, that excess amount shall be  
13 collected and distributed to State and local authorities as  
14 provided for under this Act.

15 (Source: P.A. 96-762, eff. 8-25-09.)

16 Section 99. Effective date. This Act takes effect upon  
17 becoming law.