



Sen. Terry Link

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LRB096 09645 AMC 23107 a

1 AMENDMENT TO SENATE BILL 1937

2 AMENDMENT NO. _____. Amend Senate Bill 1937 by replacing
3 everything after the enacting clause with the following:

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 until July 1, 2003, the rate is \$3 per person
12 admitted. From July 1, 2003 until the effective date of this
13 amendatory Act of the 94th General Assembly, for a licensee
14 that admitted 1,000,000 persons or fewer in the previous
15 calendar year, the rate is \$3 per person admitted; for a
16 licensee that admitted more than 1,000,000 but no more than

1 2,300,000 persons in the previous calendar year, the rate is \$4
2 per person admitted; and for a licensee that admitted more than
3 2,300,000 persons in the previous calendar year, the rate is \$5
4 per person admitted. Beginning on the effective date of this
5 amendatory Act of the 94th General Assembly, for a licensee
6 that admitted 1,000,000 persons or fewer in calendar year 2004,
7 the rate is \$2 per person admitted, and for all other licensees
8 the rate is \$3 per person admitted. This admission tax is
9 imposed upon the licensed owner conducting gambling. If the
10 licensed owner of a riverboat in operation on January 1, 2009
11 has a capital project of at least \$75,000,000 that is approved
12 by the Board in calendar years 2006 through 2009, then no
13 admissions tax is imposed on admissions to that riverboat.

14 (1) The admission tax shall be paid for each admission,
15 except that a person who exits a riverboat gambling
16 facility and reenters that riverboat gambling facility
17 within the same gaming day shall be subject only to the
18 initial admission tax.

19 (2) (Blank).

20 (3) The riverboat licensee may issue tax-free passes to
21 actual and necessary officials and employees of the
22 licensee or other persons actually working on the
23 riverboat.

24 (4) The number and issuance of tax-free passes is
25 subject to the rules of the Board, and a list of all
26 persons to whom the tax-free passes are issued shall be

1 filed with the Board.

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

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

13 (2) (Blank).

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

17 (4) The number and issuance of fee-free passes is
18 subject to the rules of the Board, and a list of all
19 persons to whom the fee-free passes are issued shall be
20 filed with the Board.

21 (b) From the tax imposed under subsection (a) and the fee
22 imposed under subsection (a-5), a municipality shall receive
23 from the State \$1 for each person embarking on a riverboat
24 docked within the municipality, and a county shall receive \$1
25 for each person embarking on a riverboat docked within the
26 county but outside the boundaries of any municipality. The

1 municipality's or county's share shall be collected by the
2 Board on behalf of the State and remitted quarterly by the
3 State, subject to appropriation, to the treasurer of the unit
4 of local government for deposit in the general fund.

5 (c) The licensed owner shall pay the entire admission tax
6 to the Board and the licensed manager shall pay the entire
7 admission fee to the Board. Such payments shall be made daily.
8 Accompanying each payment shall be a return on forms provided
9 by the Board which shall include other information regarding
10 admissions as the Board may require. Failure to submit either
11 the payment or the return within the specified time may result
12 in suspension or revocation of the owners or managers license.

13 (d) The Board shall administer and collect the admission
14 tax imposed by this Section, to the extent practicable, in a
15 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
16 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
17 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
18 Penalty and Interest Act.

19 (Source: P.A. 94-673, eff. 8-23-05; 95-663, eff. 10-11-07.)

20 (230 ILCS 10/13) (from Ch. 120, par. 2413)

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

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

25 (a-1) From January 1, 1998 until July 1, 2002, a privilege

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

5 15% of annual adjusted gross receipts up to and
6 including \$25,000,000;

7 20% of annual adjusted gross receipts in excess of
8 \$25,000,000 but not exceeding \$50,000,000;

9 25% of annual adjusted gross receipts in excess of
10 \$50,000,000 but not exceeding \$75,000,000;

11 30% of annual adjusted gross receipts in excess of
12 \$75,000,000 but not exceeding \$100,000,000;

13 35% of annual adjusted gross receipts in excess of
14 \$100,000,000.

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

22 15% of annual adjusted gross receipts up to and
23 including \$25,000,000;

24 22.5% of annual adjusted gross receipts in excess of
25 \$25,000,000 but not exceeding \$50,000,000;

26 27.5% of annual adjusted gross receipts in excess of

1 \$50,000,000 but not exceeding \$75,000,000;

2 32.5% of annual adjusted gross receipts in excess of
3 \$75,000,000 but not exceeding \$100,000,000;

4 37.5% of annual adjusted gross receipts in excess of
5 \$100,000,000 but not exceeding \$150,000,000;

6 45% of annual adjusted gross receipts in excess of
7 \$150,000,000 but not exceeding \$200,000,000;

8 50% of annual adjusted gross receipts in excess of
9 \$200,000,000.

10 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
11 persons engaged in the business of conducting riverboat
12 gambling operations, other than licensed managers conducting
13 riverboat gambling operations on behalf of the State, based on
14 the adjusted gross receipts received by a licensed owner from
15 gambling games authorized under this Act at the following
16 rates:

17 15% of annual adjusted gross receipts up to and
18 including \$25,000,000;

19 27.5% of annual adjusted gross receipts in excess of
20 \$25,000,000 but not exceeding \$37,500,000;

21 32.5% of annual adjusted gross receipts in excess of
22 \$37,500,000 but not exceeding \$50,000,000;

23 37.5% of annual adjusted gross receipts in excess of
24 \$50,000,000 but not exceeding \$75,000,000;

25 45% of annual adjusted gross receipts in excess of
26 \$75,000,000 but not exceeding \$100,000,000;

1 50% of annual adjusted gross receipts in excess of
2 \$100,000,000 but not exceeding \$250,000,000;

3 70% of annual adjusted gross receipts in excess of
4 \$250,000,000.

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

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

21 (a-4) Beginning on the first day on which the tax imposed
22 under subsection (a-3) is no longer imposed, a privilege tax is
23 imposed on persons engaged in the business of conducting
24 riverboat gambling operations, other than licensed managers
25 conducting riverboat gambling operations on behalf of the
26 State, based on the adjusted gross receipts received by a

1 licensed owner from gambling games authorized under this Act at
2 the following rates:

3 15% of annual adjusted gross receipts up to and
4 including \$25,000,000;

5 22.5% of annual adjusted gross receipts in excess of
6 \$25,000,000 but not exceeding \$50,000,000;

7 27.5% of annual adjusted gross receipts in excess of
8 \$50,000,000 but not exceeding \$75,000,000;

9 32.5% of annual adjusted gross receipts in excess of
10 \$75,000,000 but not exceeding \$100,000,000;

11 37.5% of annual adjusted gross receipts in excess of
12 \$100,000,000 but not exceeding \$150,000,000;

13 45% of annual adjusted gross receipts in excess of
14 \$150,000,000 but not exceeding \$200,000,000;

15 50% of annual adjusted gross receipts in excess of
16 \$200,000,000.

17 (a-5) If no admissions tax is imposed on admissions to a
18 riverboat under Section 12, then in addition to any other tax
19 imposed under this Section, a privilege tax of 1% of adjusted
20 gross receipts is imposed on that riverboat, the proceeds of
21 which shall be paid monthly, subject to appropriation by the
22 General Assembly, to the unit of local government that is
23 designated as the home dock of the riverboat upon which those
24 riverboat gambling operations are conducted.

25 (a-8) Riverboat gambling operations conducted by a
26 licensed manager on behalf of the State are not subject to the

1 tax imposed under this Section.

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

5 (a-15) If the privilege tax imposed under subsection (a-3)
6 is no longer imposed pursuant to item (i) of the last paragraph
7 of subsection (a-3), then by June 15 of each year, each owners
8 licensee, other than an owners licensee that admitted 1,000,000
9 persons or fewer in calendar year 2004, must, in addition to
10 the payment of all amounts otherwise due under this Section,
11 pay to the Board a reconciliation payment in the amount, if
12 any, by which the licensed owner's base amount exceeds the
13 amount of net privilege tax paid by the licensed owner to the
14 Board in the then current State fiscal year. A licensed owner's
15 net privilege tax obligation due for the balance of the State
16 fiscal year shall be reduced up to the total of the amount paid
17 by the licensed owner in its June 15 reconciliation payment.
18 The obligation imposed by this subsection (a-15) is binding on
19 any person, firm, corporation, or other entity that acquires an
20 ownership interest in any such owners license. The obligation
21 imposed under this subsection (a-15) terminates on the earliest
22 of: (i) July 1, 2007, (ii) the first day after the effective
23 date of this amendatory Act of the 94th General Assembly that
24 riverboat gambling operations are conducted pursuant to a
25 dormant license, (iii) the first day that riverboat gambling
26 operations are conducted under the authority of an owners

1 license that is in addition to the 10 owners licenses initially
2 authorized under this Act, or (iv) the first day that a
3 licensee under the Illinois Horse Racing Act of 1975 conducts
4 gaming operations with slot machines or other electronic gaming
5 devices. The Board must reduce the obligation imposed under
6 this subsection (a-15) by an amount the Board deems reasonable
7 for any of the following reasons: (A) an act or acts of God,
8 (B) an act of bioterrorism or terrorism or a bioterrorism or
9 terrorism threat that was investigated by a law enforcement
10 agency, or (C) a condition beyond the control of the owners
11 licensee that does not result from any act or omission by the
12 owners licensee or any of its agents and that poses a hazardous
13 threat to the health and safety of patrons. If an owners
14 licensee pays an amount in excess of its liability under this
15 Section, the Board shall apply the overpayment to future
16 payments required under this Section.

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

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

22 "Base amount" means the following:

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

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

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

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

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

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

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

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

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

7 "Net privilege tax" means all privilege taxes paid by a
8 licensed owner to the Board under this Section, less all
9 payments made from the State Gaming Fund pursuant to subsection
10 (b) of this Section.

11 The changes made to this subsection (a-15) by Public Act
12 94-839 are intended to restate and clarify the intent of Public
13 Act 94-673 with respect to the amount of the payments required
14 to be made under this subsection by an owners licensee to the
15 Board.

16 (b) Until January 1, 1998, 25% of the tax revenue deposited
17 in the State Gaming Fund under this Section shall be paid,
18 subject to appropriation by the General Assembly, to the unit
19 of local government which is designated as the home dock of the
20 riverboat. Beginning January 1, 1998, from the tax revenue
21 deposited in the State Gaming Fund under this Section, an
22 amount equal to 5% of adjusted gross receipts generated by a
23 riverboat shall be paid monthly, subject to appropriation by
24 the General Assembly, to the unit of local government that is
25 designated as the home dock of the riverboat. From the tax
26 revenue deposited in the State Gaming Fund pursuant to

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

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

14 (c-5) Before May 26, 2006 (the effective date of Public Act
15 94-804) and beginning on the effective date of this amendatory
16 Act of the 95th General Assembly, unless any organization
17 licensee under the Illinois Horse Racing Act of 1975 begins to
18 operate a slot machine or video game of chance under the
19 Illinois Horse Racing Act of 1975 or this Act, after the
20 payments required under subsections (b) and (c) have been made,
21 an amount equal to 15% of the adjusted gross receipts of (1) an
22 owners licensee that relocates pursuant to Section 11.2, (2) an
23 owners licensee conducting riverboat gambling operations
24 pursuant to an owners license that is initially issued after
25 June 25, 1999, or (3) the first riverboat gambling operations
26 conducted by a licensed manager on behalf of the State under

1 Section 7.3, whichever comes first, shall be paid from the
2 State Gaming Fund into the Horse Racing Equity Fund.

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

7 (c-15) After the payments required under subsections (b),
8 (c), and (c-5) have been made, an amount equal to 2% of the
9 adjusted gross receipts of (1) an owners licensee that
10 relocates pursuant to Section 11.2, (2) an owners licensee
11 conducting riverboat gambling operations pursuant to an owners
12 license that is initially issued after June 25, 1999, or (3)
13 the first riverboat gambling operations conducted by a licensed
14 manager on behalf of the State under Section 7.3, whichever
15 comes first, shall be paid, subject to appropriation from the
16 General Assembly, from the State Gaming Fund to each home rule
17 county with a population of over 3,000,000 inhabitants for the
18 purpose of enhancing the county's criminal justice system.

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

24 (c-25) After the payments required under subsections (b),
25 (c), (c-5) and (c-15) have been made, an amount equal to 2% of
26 the adjusted gross receipts of (1) an owners licensee that

1 relocates pursuant to Section 11.2, (2) an owners licensee
2 conducting riverboat gambling operations pursuant to an owners
3 license that is initially issued after June 25, 1999, or (3)
4 the first riverboat gambling operations conducted by a licensed
5 manager on behalf of the State under Section 7.3, whichever
6 comes first, shall be paid from the State Gaming Fund to
7 Chicago State University.

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

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

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

23 (Source: P.A. 94-673, eff. 8-23-05; 94-804, eff. 5-26-06;
24 94-839, eff. 6-6-06; 95-331, eff. 8-21-07; 95-1008, eff.
25 12-15-08.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.".