

By Senator Geller

29-410-99

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A bill to be entitled  
An act relating to thoroughbred racing;  
amending ss. 550.0951, 550.09514, F.S.;  
reducing the tax on handle for permitholders to  
1 percent; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (a) of subsection (3) of section  
550.0951, Florida Statutes, 1998 Supplement, is amended to  
read:

550.0951 Payment of daily license fee and taxes.--

(3) TAX ON HANDLE.--Each permitholder shall pay a tax  
on contributions to pari-mutuel pools, the aggregate of which  
is hereinafter referred to as "handle," on races or games  
conducted by the permitholder. The tax is imposed daily and is  
based on the total contributions to all pari-mutuel pools  
conducted during the daily performance. If a permitholder  
conducts more than one performance daily, the tax is imposed  
on each performance separately.

(a) The tax on handle for thoroughbred horse racing,  
harness horse racing, and quarter horse racing is 1 ~~3.3~~  
percent of the handle.

Section 2. Paragraph (a) of subsection (2) of section  
550.09515, Florida Statutes, 1998 Supplement, is amended to  
read:

550.09515 Thoroughbred horse taxes; abandoned interest  
in a permit for nonpayment of taxes.--

(1) Pari-mutuel wagering at thoroughbred horse  
racetracks in this state is an important business enterprise,  
and taxes derived therefrom constitute a part of the tax

1 structure which funds operation of the state. Thoroughbred  
2 horse permitholders should pay their fair share of these taxes  
3 to the state. This business interest should not be taxed to  
4 such an extent as to cause any racetrack which is operated  
5 under sound business principles to be forced out of business.  
6 Due to the need to protect the public health, safety, and  
7 welfare, the gaming laws of the state provide for the  
8 thoroughbred horse industry to be highly regulated and taxed.  
9 The state recognizes that there exist identifiable differences  
10 between thoroughbred horse permitholders based upon their  
11 ability to operate under such regulation and tax system and at  
12 different periods during the year.

13 (2)

14 (a) Notwithstanding the provisions of s.  
15 550.0951(3)(a), the tax on handle for live thoroughbred horse  
16 performances shall be subject to the following:

17 1. The tax on handle per performance for live  
18 thoroughbred performances is 1.0 ~~2.0~~ percent of handle for  
19 performances conducted during the period beginning on January  
20 3 and ending March 16; .20 percent of handle for performances  
21 conducted during the period beginning March 17 and ending May  
22 22; and 1.0 ~~1.25~~ percent of handle for performances conducted  
23 during the period beginning May 23 and ending January 2.

24 2. If any thoroughbred permitholder conducts  
25 performances during more than one time period or if  
26 performances are conducted during more than one period at any  
27 facility, the tax on handle per performance is double the sum  
28 of the tax percentages for the periods in which performances  
29 are being conducted, except:

30 a. Pursuant to s. 550.01215, two permitholders, by  
31 mutual written agreement, may agree to the operation by one of

1 them in the other permitholder's tax period for up to 3 days,  
2 if the 3 days are either the first 3 days or the last 3 days  
3 of the racing period in which the permitholders intend to  
4 operate.

5       b. If, on March 31 of any year, there is no  
6 permitholder holding a license for operating any one of the  
7 three race periods set forth in this section or if the  
8 permitholder who is licensed to operate in any period fails to  
9 operate for 10 consecutive days, a permitholder already  
10 licensed to operate in another period may apply for and be  
11 issued a license to operate the period in question, in  
12 addition to the period already licensed.

13       c. Two permitholders who operated in different periods  
14 in the preceding fiscal year may, by mutual written agreement,  
15 switch periods for the current racing season, even if it  
16 results in either permitholder or the facility of a  
17 permitholder being operated in two different periods.

18  
19 However, any thoroughbred permitholder whose total handle on  
20 live performances during the 1991-1992 state fiscal year was  
21 not greater than \$34 million is authorized to conduct live  
22 performances at any time of the year and shall pay 0.5 percent  
23 on live handle per performance.

24       3. For the period beginning on April 1 and ending May  
25 23 during the state fiscal year 1992-1993, any permitholder  
26 which has operated less than 51 racing days in the last 18  
27 months may operate said period and pay 1.25 percent tax on  
28 live handle per performance. In the event this provision  
29 takes effect after April 1, 1993, it shall be construed to  
30 apply retroactively from April 1, 1993, through May 23, 1993.

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1           4. In the event any licenses have been issued to any  
2 thoroughbred permitholders for racing dates prior to April 26,  
3 1993, then, notwithstanding the provisions of s. 550.525(2),  
4 amendments may be filed to the racing dates up to May 1, 1993.

5           Section 3. Effective July 1, 2001, paragraph (a) of  
6 subsection (2) of section 550.09515, Florida Statutes, as  
7 amended by section 4 of chapter 98-190, Laws of Florida, is  
8 amended to read:

9           550.09515 Thoroughbred horse taxes; abandoned interest  
10 in a permit for nonpayment of taxes.--

11           (2)(a) Notwithstanding the provisions of s.  
12 550.0951(3)(a), the tax on handle for live thoroughbred horse  
13 performances shall be subject to the following:

14           1. The tax on handle per performance for live  
15 thoroughbred performances is 1 ~~2.25~~ percent of handle for  
16 performances conducted during the period beginning on January  
17 3 and ending March 16; .70 percent of handle for performances  
18 conducted during the period beginning March 17 and ending May  
19 22; and 1 ~~1.5~~ percent of handle for performances conducted  
20 during the period beginning May 23 and ending January 2.

21           2. However, any thoroughbred permitholder whose total  
22 handle on live performances during the 1991-1992 state fiscal  
23 year was not greater than \$34 million is authorized to conduct  
24 live performances at any time of the year and shall pay 0.5  
25 percent on live handle per performance.

26           Section 4. Except as otherwise provided in this act,  
27 this act shall take effect July 1, 1999.

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30 SENATE SUMMARY

31 Reduces the tax on handle for thoroughbred permitholders  
to 1 percent.