

By Senator Geller

31-272B-05

1 A bill to be entitled
2 An act relating to a tax on revenues from slot
3 machines; amending s. 849.16, F.S.; imposing a
4 tax on revenues from slot machines located in
5 certain pari-mutuel facilities located in
6 Broward County or Miami-Dade County, as
7 authorized by Section 23 of Article X of the
8 State Constitution; defining the term
9 "slot-machine revenues"; providing for
10 remitting the tax proceeds periodically to the
11 Department of Revenue; providing for rulemaking
12 by the department; requiring the tax proceeds
13 to be deposited in the State School Trust Fund
14 and used to supplement public education
15 funding; providing for the distribution of the
16 tax proceeds; providing penalties for a failure
17 to timely pay the tax on slot-machine revenues;
18 requiring that the Department of Revenue
19 coordinate with the Division of Pari-mutuel
20 Wagering in enforcement actions; requiring the
21 division to adopt rules governing suppliers and
22 operators of slot machines; providing that,
23 except for the provisions of this act, ch. 849,
24 F.S., does not apply to a licensed pari-mutuel
25 facility in Miami-Dade County or Broward County
26 which qualifies under Section 23 of Article X
27 of the State Constitution to operate slot
28 machines, if specified conditions are met;
29 providing a contingency to the effective date
30 of the tax; providing an effective date.
31

1 WHEREAS, the voters of the State of Florida approved
2 Section 23 of Article X of the State Constitution on November
3 4, 2004, and

4 WHEREAS, Section 23 of Article X of the State
5 Constitution authorizes Miami-Dade and Broward Counties to
6 have a local referendum on whether to allow slot machines at
7 existing pari-mutuel facilities within their respective
8 counties, and

9 WHEREAS, Section 23 of Article X of the State
10 Constitution calls for the Florida Legislature to enact
11 regulations for slot machines in the 2005 Legislative Session,
12 and

13 WHEREAS, Section 23 of Article X of the State
14 Constitution allows the Legislature to regulate and tax the
15 slot-machine proceeds to supplement funds for education, and

16 WHEREAS, the Florida Legislature desires to create a
17 regulatory structure that provides for the taxation of
18 slot-machine proceeds for the benefit of public education,
19 NOW, THEREFORE,

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

22
23 Section 1. Subsections (3) and (4) are added to
24 section 849.16, Florida Statutes, to read:

25 849.16 Machines or devices which come within
26 provisions of law defined.--

27 (3)(a) A licensed pari-mutuel facility that conducts
28 slot machine gaming in Broward County or Miami-Dade County, as
29 authorized by s. 23, Art. X of the State Constitution, shall
30 pay to the state a tax of 30 percent of slot-machine revenues
31 for the purpose of supplementing public education funding. As

1 used in this subsection, the term "slot-machine revenues"
2 means the total of all cash and property received by the
3 licensed pari-mutuel facility from slot machine gaming minus
4 the amount of cash, cash equivalents, credits, and prizes paid
5 to winners.

6 (b) The pari-mutuel facility shall remit the tax
7 proceeds at the end of each month to the Department of Revenue
8 in such a form and fashion as set forth by the department.
9 The Department of Revenue shall adopt rules for the collection
10 and auditing of the tax proceeds remitted under this
11 paragraph.

12 (c) The funds collected by the Department of Revenue
13 under paragraph (b) shall be deposited in the State School
14 Trust Fund for the purpose of supplementing public education
15 funding. The revenues from slot machines which have been
16 deposited into the trust fund shall be distributed to the
17 counties annually through the General Appropriations Act as
18 follows:

19 1. To offset the impact of slot machines to their
20 respective areas, Broward County and Miami-Dade County shall
21 receive \$75 per full-time equivalent student enrolled within
22 the respective county.

23 2. The slot-machine revenues that remain after the
24 distribution authorized under subparagraph 1. shall be
25 distributed in accordance with the Florida Education Finance
26 Program as determined by the General Appropriations Act to all
27 counties including Miami-Dade County and Broward County.

28 (d) The failure to timely pay the tax on slot-machine
29 revenues shall subject the licensed permitholder to
30 enforcement by the Division of Pari-mutuel Wagering and to
31 penalties set forth in s. 550.0951. The Department of Revenue

1 shall coordinate with the Division of Pari-mutuel Wagering in
2 bringing an enforcement action under this paragraph.

3 (e) The Division of Pari-mutuel Wagering shall adopt
4 rules governing licensure and regulation of the suppliers of
5 slot machines to the authorized pari-mutuel facilities and of
6 the operators of those slot machines.

7 (4) Except for subsection (3) and this subsection,
8 this chapter may not be construed, interpreted, or applied to
9 any licensed pari-mutuel facility in Miami-Dade County or
10 Broward County which qualifies under s. 23, Art. X of the
11 State Constitution to operate slot machines, if:

12 1. The voters in the respective county have approved
13 at referendum the question whether slot machines shall be
14 authorized within that county; and

15 2. The pari-mutuel facility complies with the payment
16 of taxes under this subsection.

17 Section 2. This act shall take effect July 1, 2005;
18 however, the tax authorized under Section 23 of Article X of
19 the State Constitution may be levied only upon approval by
20 majority vote of the voters of Broward County or Miami-Dade
21 County in a countywide referendum held in their respective
22 counties.

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SENATE SUMMARY

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3 Imposes a tax on revenues from slot machines located in
4 certain pari-mutuel facilities located in Broward County
5 or Miami-Dade County, as authorized by Section 23 of
6 Article X of the State Constitution. Defines the term
7 "slot-machine revenues." Provides for remitting the tax
8 proceeds monthly to the Department of Revenue. Provides
9 for rulemaking by the department. Requires the tax
10 proceeds to be deposited in the State School Trust Fund
11 and used to supplement public education funding. Provides
12 for the distribution of the tax proceeds. Provides
13 penalties for a failure to timely pay the tax on
14 slot-machine revenues. Requires that the Department of
15 Revenue coordinate with the Division of Pari-mutuel
16 Wagering in enforcement actions. Requires the division to
17 adopt rules governing suppliers and operators of slot
18 machines. Provides that, except for the provisions
19 created by this act, ch. 849, F.S., does not apply to a
20 licensed pari-mutuel facility in Miami-Dade County or
21 Broward County which qualifies under Section 23 of
22 Article X of the State Constitution to operate slot
23 machines, if specified conditions are met. Provides a
24 contingency to the effective date of the tax.
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