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1 A bill to be entitled
2 An act relating to slot machine revenues; amending s.
3 551.106, F.S.; revising the tax rate on slot machine
4 revenues at pari-mutuel facilities; requiring certain
5 licensees to pay a pro rata share of the shortfall in
6 taxes paid on slot machine tax revenues under certain
7 conditions; providing a percentage cap on the payment of
8 taxes on slot machine revenues; providing for the
9 expiration of the revised tax rate; providing a tax rate
10 on certain Class III gaming on Indian reservations if
11 commenced; providing a tax rate on video lottery
12 terminals, electronic gaming, Class II or Class III gaming
13 at pari-mutual facilities if authorized by the state;
14 revising the dates for remitting payment of slot machine
15 tax revenues; amending s. 551.116, F.S.; providing hours
16 of operation for sales of alcoholic beverages in slot
17 machine gaming areas; providing an effective date.

18
19 Be It Enacted by the Legislature of the State of Florida:

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21 Section 1. Subsections (2) and (3) of section 551.106,
22 Florida Statutes, are amended to read:

23 551.106 License fee; tax rate; penalties.--

24 (2) TAX ON SLOT MACHINE REVENUES.--

25 (a) The tax rate on slot machine revenues at each facility
26 shall be 35 ~~50~~ percent.

27 (b) Beginning July 1, 2008, if the slot machine tax
28 revenues under paragraph (a) from a facility which operated for
29 any portion of the 2007-2008 state fiscal year does not meet or

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30 exceed that facility's estimated tax remittance for the 2008-2009
31 fiscal year, as determined by reference to the February 2008
32 Revenue Estimating Conference's estimate of tax remittances for
33 each such licensee for the 2008-2009 fiscal year, and the total
34 remittances for all such licensees falls short of a cumulative
35 amount of \$122.9 million from the slot machine licensees in each
36 state fiscal year, an additional amount shall be paid by each
37 slot machine licensee that conducted slot machine gaming in such
38 year which is sufficient to make the total tax under paragraph
39 (a) and this paragraph equal to that facility's estimated tax
40 remittance for the 2008-2009 fiscal year. The additional amount
41 to be paid by any licensee shall be offset in the amount by which
42 any other licensee's remittance for that state fiscal year is in
43 excess of its estimated remittance amount for that state fiscal
44 year. If more than one licensee has a shortfall and any licensee
45 has an excess, such excess amount shall be shared proportionally
46 among those licensees having a shortfall based upon each such
47 licensee's pro rata share of the total shortfall in taxes paid on
48 slot machine revenues in such year pursuant to paragraph (a).
49 However, a licensee is not required to pay taxes due for a state
50 fiscal year under paragraph (a) or this paragraph in an amount
51 greater than 50 percent of its slot machine revenues.

52 (c) Beginning July 1, 2008, each slot machine licensee
53 other than those licensees that are subject to paragraph (b)
54 shall pay a tax on slot machine revenues equal to the greater of
55 35 percent of slot machine revenues or \$41 million in cumulative
56 slot machine tax revenue in each state fiscal year. For licensees
57 operating less than an entire fiscal year, the \$41-million amount
58 shall be prorated based on the number of days of operation.

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59 However, a licensee is not required to pay taxes due for a state
60 fiscal year under paragraph (a) and this paragraph in an amount
61 greater than 50 percent of its slot machine revenues.

62 (d) Paragraphs (b) and (c) expire July 1, 2012.

63 (e)1. If Class III gaming, other than slot machine gaming,
64 as defined by the Indian Gaming and Regulatory Act, is commenced
65 in Broward County or Miami-Dade County on any Indian reservation,
66 the tax rate under this section shall be 35 percent,
67 notwithstanding paragraphs (b) and (c).

68 2. If the state authorizes video lottery terminals,
69 electronic gaming, or Class II or Class III gaming, as defined by
70 the Indian Gaming and Regulatory Act, at pari-mutuel facilities
71 in any county in this state, the tax rate shall be the lesser of
72 35 percent or the tax rate established for such pari-mutuel
73 facilities, notwithstanding paragraphs (b) and (c).

74 (f) ~~(b)~~ The slot machine revenue tax imposed by this section
75 shall be paid to the division for deposit into the Pari-mutuel
76 Wagering Trust Fund for immediate transfer by the Chief Financial
77 Officer for deposit into the Educational Enhancement Trust Fund
78 of the Department of Education. Any interest earnings on the tax
79 revenues shall also be transferred to the Educational Enhancement
80 Trust Fund.

81 (g) ~~(e)~~1. Funds transferred to the Educational Enhancement
82 Trust Fund under paragraph (f) ~~(b)~~ shall be used to supplement
83 public education funding statewide.

84 2. If necessary to comply with any covenant established
85 pursuant to s. 1013.68(4), s. 1013.70(1), or s. 1013.737(3),
86 funds transferred to the Educational Enhancement Trust Fund under
87 paragraph (f) ~~(b)~~ shall first be available to pay debt service on

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88 lottery bonds issued to fund school construction in the event
89 lottery revenues are insufficient for such purpose or to satisfy
90 debt service reserve requirements established in connection with
91 lottery bonds. Moneys available pursuant to this subparagraph are
92 subject to annual appropriation by the Legislature.

93 (3) PAYMENT AND DISPOSITION OF TAXES.--

94 (a) Payment for the tax on slot machine revenues imposed by
95 this section shall be paid to the division. The division shall
96 deposit these sums with the Chief Financial Officer, to the
97 credit of the Pari-mutuel Wagering Trust Fund. The slot machine
98 licensee shall remit to the division payment for the tax on slot
99 machine revenues. Such payments shall be remitted by 3 p.m. on
100 the 5th day of each calendar month ~~Wednesday of each week~~ for
101 taxes imposed and collected for the preceding ~~calendar month~~ ~~week~~
102 ending on Sunday. If the 5th day of the calendar month falls on a
103 weekend or a state holiday, payments shall be remitted by 3 p.m.
104 on the first Monday following the weekend or on the first Tuesday
105 if the first Monday is a state holiday

106 (b) Each licensee shall pay any amounts due as provided in
107 paragraph (2)(b) or paragraph (2)(c) on or before July 31
108 immediately following the end of the fiscal year.

109 (c) The slot machine licensee shall file a report under
110 oath by the 5th day of each calendar month for all taxes remitted
111 during the preceding calendar month. Such payments shall be
112 accompanied by a report under oath showing all slot machine
113 gaming activities for the preceding calendar month and such other
114 information as may be prescribed by the division.

115 Section 2. Section 551.116, Florida Statutes, is amended to
116 read:

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117 551.116 Days and hours of operation.--Slot machine gaming
118 areas may be open daily throughout the year. The slot machine
119 gaming areas, including sales of alcoholic beverages, may be open
120 a cumulative amount of 18 hours per day on Monday through Friday
121 and 24 hours per day on Saturday and Sunday and on those holidays
122 specified in s. 110.117(1), and such hours of operation are not
123 subject to other regulation.

124 Section 3. This act shall take effect upon becoming a law.