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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 certain circumstances are met; providing a tax rate on
12 video lottery terminals, electronic gaming, Class II or
13 Class III gaming at pari-mutual facilities if authorized
14 by the state; revising the dates for remitting payment of
15 slot machine tax revenues; amending s. 551.116, F.S.;
16 providing hours of operation for sales of alcoholic
17 beverages in slot machine gaming areas; providing an
18 effective date.

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

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

24 551.106 License fee; tax rate; penalties.--

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

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

28 (b) Beginning July 1, 2008, if the slot machine tax
29 revenues under paragraph (a) from a facility which operated for

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30 any portion of the 2007-2008 state fiscal year does not meet or
31 exceed that facility's estimated tax remittance for the 2008-2009
32 fiscal year, as determined by reference to the February 2008
33 Revenue Estimating Conference's estimate of tax remittances for
34 each such licensee for the 2008-2009 fiscal year, and the total
35 remittances for all such licensees falls short of a cumulative
36 amount of \$122.9 million from the slot machine licensees in each
37 state fiscal year, an additional amount shall be paid by each
38 slot machine licensee that conducted slot machine gaming in such
39 year which is sufficient to make the total tax under paragraph
40 (a) and this paragraph equal to that facility's estimated tax
41 remittance for the 2008-2009 fiscal year. The additional amount
42 to be paid by any licensee shall be offset in the amount by which
43 any other licensee's remittance for that state fiscal year is in
44 excess of its estimated remittance amount for that state fiscal
45 year. If more than one licensee has a shortfall and any licensee
46 has an excess, such excess amount shall be shared proportionally
47 among those licensees having a shortfall based upon each such
48 licensee's pro rata share of the total shortfall in taxes paid on
49 slot machine revenues in such year pursuant to paragraph (a).
50 However, a licensee is not required to pay taxes due for a state
51 fiscal year under paragraph (a) or this paragraph in an amount
52 greater than 50 percent of its slot machine revenues.

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

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59 shall be prorated based on the number of days of operation.
60 However, a licensee is not required to pay taxes due for a state
61 fiscal year under paragraph (a) and this paragraph in an amount
62 greater than 50 percent of its slot machine revenues.

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

64 (e)1.a. If the tribal-state compact between the Seminole
65 Tribe of Florida and the State of Florida which authorizes Class
66 III gaming is upheld by the Supreme Court of Florida in the case
67 of Florida House of Representatives, et al. v. Hon. Charles J.
68 Crist, Jr., etc., Case No. SC07-2154 in a final judgment on the
69 validity of the tribal-state compact or is ratified by the
70 Legislature, and the Class III gaming, other than slot machine
71 gaming, is conducted under the provisions of the valid tribal-
72 state compact in Broward County or Miami-Dade County on any
73 Indian reservation, the tax rate under this section shall be 35
74 percent, notwithstanding paragraphs (b) and (c).

75 b. If there is no valid tribal-state compact and if during
76 any state fiscal year Class III gaming, other than slot machine
77 gaming, is conducted by any Indian tribe in Broward County or
78 Miami-Dade County on any Indian reservation, for 6 months or more
79 during the same state fiscal year, then the tax rate under this
80 section shall be 35 percent during the same state fiscal year and
81 the provisions of paragraphs (b) and (c) shall not apply.

82 2. If the state authorizes video lottery terminals,
83 electronic gaming, or Class II or Class III gaming, as defined by
84 the Indian Gaming and Regulatory Act, at pari-mutuel facilities
85 in any county in this state, the tax rate shall be the lesser of
86 35 percent or the tax rate established for such pari-mutuel
87 facilities, notwithstanding paragraphs (b) and (c).

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88 (f) ~~(b)~~ The slot machine revenue tax imposed by this section
89 shall be paid to the division for deposit into the Pari-mutuel
90 Wagering Trust Fund for immediate transfer by the Chief Financial
91 Officer for deposit into the Educational Enhancement Trust Fund
92 of the Department of Education. Any interest earnings on the tax
93 revenues shall also be transferred to the Educational Enhancement
94 Trust Fund.

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

98 2. If necessary to comply with any covenant established
99 pursuant to s. 1013.68(4), s. 1013.70(1), or s. 1013.737(3),
100 funds transferred to the Educational Enhancement Trust Fund under
101 paragraph (f) ~~(b)~~ shall first be available to pay debt service on
102 lottery bonds issued to fund school construction in the event
103 lottery revenues are insufficient for such purpose or to satisfy
104 debt service reserve requirements established in connection with
105 lottery bonds. Moneys available pursuant to this subparagraph are
106 subject to annual appropriation by the Legislature.

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

108 (a) Payment for the tax on slot machine revenues imposed by
109 this section shall be paid to the division. The division shall
110 deposit these sums with the Chief Financial Officer, to the
111 credit of the Pari-mutuel Wagering Trust Fund. The slot machine
112 licensee shall remit to the division payment for the tax on slot
113 machine revenues. Such payments shall be remitted by 3 p.m. on
114 the 5th day of each calendar month ~~Wednesday of each week~~ for
115 taxes imposed and collected for the preceding calendar month ~~week~~
116 ending on Sunday. If the 5th day of the calendar month falls on a

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117 weekend or a state holiday, payments shall be remitted by 3 p.m.
118 on the first Monday following the weekend or on the first Tuesday
119 if the first Monday is a state holiday

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

123 (c) The slot machine licensee shall file a report under
124 oath by the 5th day of each calendar month for all taxes remitted
125 during the preceding calendar month. Such payments shall be
126 accompanied by a report under oath showing all slot machine
127 gaming activities for the preceding calendar month and such other
128 information as may be prescribed by the division.

129 Section 2. Section 551.116, Florida Statutes, is amended to
130 read:

131 551.116 Days and hours of operation.--Slot machine gaming
132 areas may be open daily throughout the year. The slot machine
133 gaming areas, including sales of alcoholic beverages, may be open
134 a cumulative amount of 18 hours per day on Monday through Friday
135 and 24 hours per day on Saturday and Sunday and on those holidays
136 specified in s. 110.117(1), and such hours of operation are not
137 subject to other regulation.

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