

CF 7r2744

By: Delegates Bonsack, C. Davis, and Harkins

Introduced and read first time: February 10, 1997

Assigned to: Ways and Means

Committee Report: Favorable

House action: Adopted

Read second time: March 20, 1997

CHAPTER ____

1 AN ACT concerning

2 **Mile Thoroughbred and Harness Racing - Supplemental Taxes - Repeal**3 FOR the purpose of repealing supplemental State taxes imposed on mile thoroughbred
4 licensees and harness racing licensees.

5 BY repealing

6 Article - Business Regulation

7 Section 11-515.1 and 11-614.1

8 Annotated Code of Maryland

9 (1992 Volume and 1996 Supplement)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That the Laws of Maryland read as follows:12 **Article - Business Regulation**

13 [11-515.1.

14 (a) In this section, "total amount bet" means the cumulative total of all bets made
15 under this subtitle in Maryland other than bets made at the racetrack facilities of a track
16 licensee during a calendar year on races conducted at or imported from another
17 jurisdiction by the mile thoroughbred tracks.18 (b) In addition to the 0.50% State tax required under § 11-515 of this subtitle, a
19 supplemental State tax shall be paid by a mile thoroughbred licensee and deducted
20 proportionately from the respective shares of the takeout allocated to:

21 (1) a licensee;

22 (2) purse money; and

2

1 (3) the applicable bred fund.

2 (c) The supplemental State tax required under subsection (b) of this section shall
3 be:

4 (1) 1% of the total amount bet that exceeds \$100,000,000 but does not
5 exceed \$150,000,000;

6 (2) 2% of the total amount bet that exceeds \$150,000,000 but does not
7 exceed \$200,000,000;

8 (3) 3% of the total amount bet that exceeds \$200,000,000 but does not
9 exceed \$250,000,000; and

10 (4) 4% of the total amount bet that exceeds \$250,000,000.

11 (d) If tax is paid under this section, the mile thoroughbred licensees shall:

12 (1) apportion the supplemental State tax among themselves, based on the
13 relationship of the total amount bet that is attributable to all mile thoroughbred licensees;
14 and

15 (2) make any payment required by this apportionment to the proper
16 licensee by February 1 of the year following the year a supplemental State tax was
17 incurred.]

18 [11-614.1.

19 (a) In this section, "total amount bet" means the cumulative total of all bets made
20 under this subtitle in Maryland other than bets made at the racetrack facilities of a track
21 licensee during a calendar year on races conducted at or imported from another
22 jurisdiction by the harness tracks.

23 (b) In addition to the 0.50% State tax required under § 11-614 of this subtitle, a
24 supplemental State tax shall be paid by a harness racing licensee and deducted
25 proportionately from the respective shares of the takeout allocated to:

26 (1) a licensee;

27 (2) purse money; and

28 (3) the applicable bred fund.

29 (c) The supplemental State tax required under subsection (b) of this section shall
30 be:

31 (1) 1% of the total amount bet that exceeds \$60,000,000 but does not exceed
32 \$110,000,000;

33 (2) 2% of the total amount bet that exceeds \$110,000,000 but does not
34 exceed \$160,000,000;

35 (3) 3% of the total amount bet that exceeds \$160,000,000 but does not
36 exceed \$210,000,000; and

3

1 (4) 4% of the total amount bet that exceeds \$210,000,000.

2 (d) If tax is paid under this section, the mile thoroughbred licensees shall:

3 (1) apportion the supplemental State tax among themselves, based on the
4 relationship of the total amount bet that is attributable to all mile thoroughbred licensees;
5 and

6 (2) make any payment required by this apportionment to the proper
7 licensee by February 1 of the year following the year a supplemental State tax was
8 incurred.]

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 1997.