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**By: Senator Kasemeyer**

Introduced and read first time: February 5, 1997

Assigned to: Rules

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A BILL ENTITLED

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

23 (3) the applicable bred fund.

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

26 (1) 1% of the total amount bet that exceeds \$100,000,000 but does not  
27 exceed \$150,000,000;

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1 (2) 2% of the total amount bet that exceeds \$150,000,000 but does not  
2 exceed \$200,000,000;

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

5 (4) 4% of the total amount bet that exceeds \$250,000,000.

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

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

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

13 [11-614.1.

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 harness tracks.

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

21 (1) a licensee;

22 (2) purse money; and

23 (3) the applicable bred fund.

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

26 (1) 1% of the total amount bet that exceeds \$60,000,000 but does not exceed  
27 \$110,000,000;

28 (2) 2% of the total amount bet that exceeds \$110,000,000 but does not  
29 exceed \$160,000,000;

30 (3) 3% of the total amount bet that exceeds \$160,000,000 but does not  
31 exceed \$210,000,000; and

32 (4) 4% of the total amount bet that exceeds \$210,000,000.

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

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

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

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