
By: Senator Kasemeyer

Introduced and read first time: February 5, 1997

Assigned to: Rules

Re-referred to: Finance and Budget and Taxation, February 14, 1997

Committee Report: Favorable

Senate action: Adopted

Read second time: April 2, 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;

2

1 (2) purse money; and

2 (3) the applicable bred fund.

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

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

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

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

11 (4) 4% of the total amount bet that exceeds \$250,000,000.

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

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

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

19 [11-614.1.

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

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

27 (1) a licensee;

28 (2) purse money; and

29 (3) the applicable bred fund.

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

32 (1) 1% of the total amount bet that exceeds \$60,000,000 but does not exceed
33 \$110,000,000;

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

3

1 (3) 3% of the total amount bet that exceeds \$160,000,000 but does not
2 exceed \$210,000,000; and

3 (4) 4% of the total amount bet that exceeds \$210,000,000.

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

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

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

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