

HOUSE BILL 927

C7

2lr1612

By: **Calvert County Delegation**

Introduced and read first time: February 10, 2012

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 21, 2012

CHAPTER _____

1 AN ACT concerning

2 **Calvert County – Electronic Bingo**

3 FOR the purpose of authorizing an entity in Calvert County that is licensed to offer
4 electronic or instant bingo under a commercial bingo license on a certain date or
5 an entity that is a certain qualified organization to continue to operate a game
6 of electronic or instant bingo under certain circumstances; requiring the State
7 Lottery Commission to establish certain procedures and regulations relating to
8 electronic bingo machines in Calvert County; specifying the manner of
9 distribution of revenue from the State admissions and amusement tax on
10 electronic bingo or electronic tip jars in Calvert County; imposing a certain
11 State admissions and amusement tax rate on certain net proceeds from a
12 certain machine, apparatus, or device; specifying the maximum rate of the
13 Calvert County admissions and amusement tax applicable to net proceeds
14 derived from electronic bingo or electronic tip jars; specifying the maximum rate
15 of the admissions and amusement tax of any municipal corporation that is
16 applicable to net proceeds derived from electronic bingo or electronic tip jars;
17 providing for the termination of this Act; and generally relating to electronic
18 bingo in Calvert County.

19 BY adding to
20 Article – Criminal Law
21 Section 12–308
22 Annotated Code of Maryland
23 (2002 Volume and 2011 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY adding to
2 Article – State Government
3 Section 9–1B–01 to be under the new subtitle “Subtitle 1B. Electronic Bingo in
4 Calvert County”
5 Annotated Code of Maryland
6 (2009 Replacement Volume and 2011 Supplement)

7 BY repealing and reenacting, with amendments,
8 Article – Tax – General
9 Section 2–202(a) and 4–105(a–1)
10 Annotated Code of Maryland
11 (2010 Replacement Volume and 2011 Supplement)

12 BY adding to
13 Article – Tax – General
14 Section 2–202(d)
15 Annotated Code of Maryland
16 (2010 Replacement Volume and 2011 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article – Criminal Law**

20 **12–308.**

21 **NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, AN**
22 **ENTITY IN CALVERT COUNTY LICENSED TO OFFER ELECTRONIC OR INSTANT**
23 **BINGO UNDER A COMMERCIAL BINGO LICENSE ON DECEMBER 31, 2008, OR A**
24 **QUALIFIED ORGANIZATION AS DEFINED IN § 13–201 OF THIS ARTICLE ON THE**
25 **PREMISES OF THE QUALIFIED ORGANIZATION, MAY CONTINUE TO OPERATE A**
26 **GAME OF ELECTRONIC OR INSTANT BINGO IN THE SAME MANNER USING**
27 **ELECTRONIC MACHINES, PROVIDED THAT:**

28 **(1) (I) THE MACHINES WERE IN OPERATION FOR A 1–YEAR**
29 **PERIOD ENDING DECEMBER 31, 2008; OR**

30 **(II) THE MACHINES WERE IN OPERATION UNDER A**
31 **COMMERCIAL BINGO LICENSE ON DECEMBER 31, 2009;**

32 **(2) THE ENTITY DOES NOT OPERATE MORE THAN THE NUMBER OF**
33 **ELECTRONIC MACHINES IN OPERATION ON DECEMBER 31, ~~2008~~ 2009; AND**

34 **(3) THE CONDUCT OF THE GAMING AND OPERATION OF THE**
35 **MACHINES ARE CONSISTENT WITH ALL OTHER PROVISIONS OF THIS ARTICLE.**

1 (ii) if the Maryland Stadium Authority and also a county or
2 municipal corporation tax a reduced charge or free admission:

- 3 1. 80% of that revenue to the Authority; and
4 2. 20% to the county or municipal corporation.

5 **(D) FROM THE REVENUE FROM THE STATE ADMISSIONS AND**
6 **AMUSEMENT TAX ON ELECTRONIC BINGO OR ELECTRONIC TIP JARS IN CALVERT**
7 **COUNTY UNDER § 4-102(D) OF THIS ARTICLE, THE COMPTROLLER SHALL**
8 **DISTRIBUTE:**

9 **(1) THE REVENUE ATTRIBUTABLE TO A TAX RATE OF 6% TO**
10 **CALVERT COUNTY;**

11 **(2) THE REVENUE ATTRIBUTABLE TO A TAX RATE OF 2% TO THE**
12 **TOWN OF CHESAPEAKE BEACH;**

13 **(3) THE REVENUE ATTRIBUTABLE TO A TAX RATE OF 2% TO THE**
14 **TOWN OF NORTH BEACH; AND**

15 **(4) THE REVENUE ATTRIBUTABLE TO A TAX RATE OF 20% TO THE**
16 **GENERAL FUND OF THE STATE.**

17 4-105.

18 (a-1) (1) Except as provided in paragraph (2) of this subsection, the rate of
19 the State admissions and amusement tax [imposed on electronic bingo or electronic tip
20 jars under § 4-102(d) of this subtitle is] **OF 30% of the net proceeds subject to the tax**
21 **IS IMPOSED ON:**

22 **(I) ELECTRONIC BINGO OR ELECTRONIC TIP JARS UNDER §**
23 **4-102(D) OF THIS SUBTITLE; AND**

24 **(II) A MACHINE, APPARATUS, OR DEVICE THAT DISPLAYS**
25 **FACSIMILES OF BINGO CARDS THAT USERS MARK AND MONITOR ACCORDING TO**
26 **NUMBERS CALLED ON THE PREMISES BY AN INDIVIDUAL WHERE THE USER IS**
27 **OPERATING THE MACHINE.**

28 (2) If net proceeds subject to the State admissions and amusement tax
29 imposed on electronic bingo or electronic tip jars under § 4-102(d) of this subtitle are
30 also subject to an admissions and amusement tax imposed by a county or a municipal
31 corporation under this subtitle:

1 (i) the rate of the State tax may not exceed a rate that, when
2 combined with the rate of any county or municipal corporation tax, will exceed 35% of
3 the net proceeds; [and]

4 (ii) **EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS**
5 **PARAGRAPH**, the rate of any county [or municipal corporation] admissions and
6 amusement tax that is applicable to net proceeds derived from electronic bingo or
7 electronic tip jars may not exceed the rate of the admissions and amusement tax
8 imposed by the county or municipal corporation as of January 1, 2009;

9 **(III) THE RATE OF THE CALVERT COUNTY ADMISSIONS AND**
10 **AMUSEMENT TAX THAT IS APPLICABLE TO NET PROCEEDS DERIVED FROM**
11 **ELECTRONIC BINGO OR ELECTRONIC TIP JARS MAY NOT EXCEED 2.5%; AND**

12 **(IV) THE RATE OF ANY MUNICIPAL CORPORATION**
13 **ADMISSIONS AND AMUSEMENT TAX THAT IS APPLICABLE TO NET PROCEEDS**
14 **DERIVED FROM ELECTRONIC BINGO OR ELECTRONIC TIP JARS MAY NOT**
15 **EXCEED 2.5%.**

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 July 1, 2012. It shall remain effective for a period of 4 years and, at the end of June 30,
18 2016, with no further action required by the General Assembly, this Act shall be
19 abrogated and of no further force and effect.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.