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Overview

This bill imposes a 6.5 percent gross receipts tax on the card club at the racetrack and uses the revenue to reduce the top rate on the combined receipts tax on lawful gambling.

Section

- 1** **Card club gross receipts tax.** Requires a pari-mutuel licensee to pay a 6.5 percent gross receipts to the Racing Commission as a condition for operating a card club. This tax would be imposed on the card club's gross revenues (i.e., amounts charged for table rents or the club's percentage of "pots"). The tax would be paid, collected, and administered by the Racing Commission in the same manner as the tax on pari-mutuel betting. Amounts paid are deposited in the state general fund.

The tax does not affect the licensee's obligation to pay a share of gross revenues to the breeder's fund and for horse racing purses. These computations would be computed, as before imposition of the tax, i.e., the tax would not be deducted before determining the percentages to be paid for those purposes.

- Effective for charges and revenues received after June 30, 2007
- 2** **Lawful gambling; combined receipts tax.** Reduces the top rate of the combined receipts tax on lawful gambling. The amount of the reduction under the author's amendment is 4 percent (with a blended rate of 4.55 percent for fiscal year 2008).

Section

Effective July 1, 2007.