

HOUSE BILL No. 5797

June 30, 1988, Introduced by Reps. Joe Young, Jr. and Jacobetti and referred to the Committee on State Affairs.

A bill to amend section 15 of Act No. 327 of the Public Acts of 1980, entitled as amended

"Racing law of 1980,"

as amended by Act No. 108 of the Public Acts of 1986, being section 431.75 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 15 of Act No. 327 of the Public Acts of
2 1980, as amended by Act No. 108 of the Public Acts of 1986, being
3 section 431.75 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 15. (1) Each licensed racetrack located in a city area
6 shall pay \$1,000.00 annually, and any other licensed racetrack
7 shall pay \$200.00 annually.

1 (2) Each holder of a race meeting license shall pay a tax in
2 accordance with the following schedule and in a manner and time
3 as the racing commissioner requires:

4 (a) ~~Each~~ EXCEPT AS PROVIDED IN SUBDIVISION (B) OR (C),
5 EACH holder of a race meeting license shall pay to the state
6 treasurer, from the holder's commission, 4-1/2% of all money
7 wagered on pari-mutuel wagering ~~—~~ plus 1/2 the breaks. ~~—~~
8 ~~except that each holder of a race meeting license in a county~~
9 ~~having a population of less than 300,000 shall pay to the state~~
10 ~~treasurer, from the holder's commission, 3 1/2% of all money~~
11 ~~wagered on pari-mutuel wagering, plus 1/2 the breaks.~~ The reduc-
12 tion in a licensee's payment from 6% to 4-1/2% effected by ~~this~~
13 ~~1986 amendatory act~~ ACT NO. 108 OF THE PUBLIC ACTS OF 1986 is
14 intended to allow generally for the improvement of the
15 pari-mutuel racing industry in this state and to encourage capi-
16 tal improvements at racetracks in this state. Not later than ~~4~~
17 ~~years after the effective date of this 1986 amendatory act~~ MAY
18 23, 1990, the racing commissioner shall report to the chair-
19 persons of the senate and house committees responsible for legis-
20 lation concerning horse racing as to the effect on the horse
21 racing industry of the reduction from 6% to 4-1/2%.

22 (B) EXCEPT AS PROVIDED IN SUBDIVISION (C), EACH HOLDER OF A
23 RACE MEETING LICENSE IN A COUNTY HAVING A POPULATION OF LESS THAN
24 300,000 SHALL PAY TO THE STATE TREASURER, FROM THE HOLDER'S COM-
25 MISSION, 3-1/2% OF ALL MONEY WAGERED ON PARI-MUTUEL WAGERING,
26 PLUS 1/2 THE BREAKS.

1 (C) AS USED IN THIS SUBDIVISION, "AVERAGE DAILY HANDLE"
2 MEANS ALL MONEY WAGERED ON PARI-MUTUEL WAGERING DURING A LICENSED
3 RACE MEET INCLUDING BOTH STRAIGHT AND MULTIPLE OR EXOTIC WAGERS
4 DIVIDED BY THE TOTAL NUMBER OF PROGRAMS RUN BY THAT LICENSEE.
5 EACH HOLDER OF A RACE MEETING LICENSE IN A COUNTY HAVING A POPU-
6 LATION OF LESS THAN 300,000 WHOSE LICENSE IS FOR STANDARD BRED
7 RACE MEETINGS ONLY, WHOSE RACE MEETING LICENSE IS FOR NOT MORE
8 THAN 100 DAYS OR 20 CALENDAR WEEKS IN TOTAL, AND WHOSE AVERAGE
9 DAILY HANDLE IS \$50,000.00 OR LESS IS NOT REQUIRED TO MAKE A PAY-
10 MENT TO THE STATE TREASURER UNDER THIS SUBSECTION. EACH HOLDER
11 OF A RACE MEETING LICENSE IN A COUNTY HAVING A POPULATION OF LESS
12 THAN 300,000 WHOSE LICENSE IS FOR STANDARD BRED RACE MEETINGS
13 ONLY, WHOSE RACE MEETING LICENSE IS FOR NOT MORE THAN 100 DAYS OR
14 20 CALENDAR WEEKS IN TOTAL, AND WHOSE AVERAGE DAILY HANDLE IS
15 MORE THAN \$50,000.00, SHALL PAY TO THE STATE TREASURER, FROM THE
16 HOLDER'S COMMISSION, THE FOLLOWING PERCENTAGE OF ALL MONEY
17 WAGERED ON PARI-MUTUEL WAGERING PLUS 1/2 THE BREAKS:

18 (i) AVERAGE DAILY HANDLE OF \$50,000.01 TO \$100,000.00,
19 1-1/2%.

20 (ii) AVERAGE DAILY HANDLE OF \$100,000.01 TO \$175,000.00,
21 2-1/2%.

22 (iii) AVERAGE DAILY HANDLE OF MORE THAN \$175,000.00, 3-1/2%.

23 (C) ~~(b)~~ Each holder of a license for thoroughbred, har-
24 ness, quarter horse, Appaloosa, or Arabian horse racing shall pay
25 to the state treasurer from the commission of the holder on spe-
26 cial sweepstakes pari-mutuel pool wagering as defined in section

1 12(6), 6% of the daily amount wagered on the special sweepstakes
2 pari-mutuel pool plus 1/2 the breaks.