

# HOUSE BILL No. 5400

December 3, 1997, Introduced by Reps. Griffin, Frank, Law, Curtis, Hanley, Hale and Bankes and referred to the Committee on Tax Policy.

A bill to amend 1995 PA 279, entitled  
"Horse racing law of 1995,"  
by amending section 22 (MCL 431.322).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 22. (1) Each licensed racetrack located in a city area  
2 shall pay a license fee to the racing commissioner of \$1,000.00  
3 annually, and any other licensed racetrack shall pay a license  
4 fee of \$200.00 annually.

5       (2) ~~During calendar year 1996, each~~ EACH holder of a race  
6 meeting license shall pay to the state treasurer, from the  
7 holder's commission, a tax in the amount of 2.5% of all money  
8 wagered ~~on interstate and~~ BEYOND AND EXCLUDING THE FIRST  
9 \$50,000.00 OF DAILY WAGERS ON intertrack simulcast races  
10 conducted at the holder's licensed race meetings ~~in 1996~~ in a  
11 manner and time as the racing commissioner requires. ~~For~~

~~1 calendar year 1997 and each year thereafter, the tax rate shall  
2 increase to 3.5% of all money wagered on interstate and inter-  
3 track simulcast races conducted at the holder's licensed race  
4 meetings each calendar year. Not later than 4 years after the  
5 effective date of this act, the racing commissioner shall report  
6 to the chairpersons of the senate and house committees responsi-  
7 ble for legislation concerning horse racing as to the effect on  
8 the horse racing industry of the reduction in the tax pursuant to  
9 subsection (2).~~

10       (3) By eliminating the pari-mutuel wagering tax on live  
11 racing programs, it is not the intent of the legislature to  
12 diminish the funding and appropriations for the Michigan agricul-  
13 ture equine industry fund and related programs described in sec-  
14 tion 20. The pari-mutuel tax reduction effected by this section  
15 is intended to generally allow for the improvement of the  
16 pari-mutuel horse racing and breeding industry in this state by  
17 increasing purses at licensed race meetings and making additional  
18 pari-mutuel revenues available for capital improvements at  
19 licensed racetracks in this state.