

HOUSE BILL No. 2434

By Committee on Taxation

2-21

1 AN ACT concerning parimutuel wagering; relating to historical horse
2 races; crediting tax revenue generated to the horse breeding
3 development fund and the horse fair racing benefit fund; amending
4 K.S.A. 2022 Supp. 74-8823 and repealing the existing section.

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6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 2022 Supp. 74-8823 is hereby amended to read as
8 follows: 74-8823. (a) There is hereby imposed a tax on the gross sum
9 wagered by the parimutuel method as follows:

10 (1) Of the total daily takeout from parimutuel pools for live horse
11 races conducted in this state, a tax at the rate of $\frac{3}{18}$;

12 (2) except as provided by subsection (a)(3), for live greyhound races
13 conducted in this state at a racetrack facility for the racing of only
14 greyhounds:

15 (A) During the first four years when racing with parimutuel wagering
16 is conducted at such facility, a tax at the rate of $\frac{3}{18}$ of the total daily
17 takeout from parimutuel pools for live greyhound races; and

18 (B) thereafter, from parimutuel pools for each live greyhound
19 performance, a tax at the rate of $\frac{3}{18}$ of the first \$400,000 wagered, $\frac{4}{18}$ of
20 the next \$200,000 wagered and $\frac{5}{18}$ of any amounts wagered exceeding
21 \$600,000;

22 (3) for live greyhound races conducted in this state at a dual racetrack
23 facility or at a racetrack facility owned by a licensee whose license
24 authorizes the construction of a dual racetrack facility:

25 (A) During the first seven years when racing with parimutuel
26 wagering is conducted at such facility, a tax at the rate of $\frac{3}{18}$ of the total
27 daily takeout from parimutuel pools for live greyhound races; and

28 (B) thereafter, from parimutuel pools for each live greyhound
29 performance, a tax at the rate of $\frac{3}{18}$ of the first \$600,000 wagered, $\frac{4}{18}$ of
30 the next \$200,000 wagered and $\frac{5}{18}$ of any amounts wagered exceeding
31 \$800,000;

32 (4) of the total daily takeout from amounts wagered in this
33 jurisdiction on simulcast races displayed in this state, a tax at the rate of
34 $\frac{3}{18}$; and

35 (5) of the total amount wagered on historical horse races, a tax at the
36 rate of 3%.

1 (b) The tax imposed by this section shall be ~~no~~ not less than 3% nor
2 more than 6% of the total money wagered each day at a racetrack facility.

3 (c) The tax imposed by this section shall be remitted to the
4 commission by each organization licensee by the next business day
5 following the day on which the wagers took place. The commission shall
6 remit any such tax moneys received to the state treasurer in accordance
7 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon
8 receipt of each ~~such~~ remittance *made pursuant to subsection (a)(1)*
9 *through (4)*, the state treasurer shall deposit the entire amount in the state
10 treasury to the credit of the state racing fund created by K.S.A. 74-8826,
11 and amendments thereto, except as provided by K.S.A. 74-8838, and
12 amendments thereto. *Upon receipt of each remittance made pursuant to*
13 *subsection (a)(5), the state treasurer shall deposit the entire amount in the*
14 *state treasury and credit $\frac{1}{3}$ of the amount to the Kansas horse breeding*
15 *development fund created by K.S.A. 74-8829, and amendments thereto,*
16 *and $\frac{2}{3}$ of the amount to the horse fair racing benefit fund created by*
17 *K.S.A. 74-8838, and amendments thereto.*

18 (d) The commission shall audit and verify that the amount of tax
19 received from each organization licensee hereunder is correct.

20 (e) Nothing in this section shall be construed to impose any tax on
21 amounts wagered on electronic gaming machine games operated pursuant
22 to the Kansas expanded lottery act.

23 Sec. 2. K.S.A. 2022 Supp. 74-8823 is hereby repealed.

24 Sec. 3. This act shall take effect and be in force from and after its
25 publication in the statute book.