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SENATE BILL 6728

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State of Washington

54th Legislature

1996 Regular Session

By Senators Loveland, Prince, Heavey, Deccio, Snyder, Rasmussen, West and Roach

Read first time 01/26/96. Referred to Committee on Ways & Means.

1 AN ACT Relating to the thoroughbred industry; amending RCW  
2 67.16.105 and 67.16.170; adding a new section to chapter 82.04 RCW;  
3 adding a new section to chapter 82.08 RCW; and adding a new section to  
4 chapter 81.12 RCW.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 67.16.105 and 1995 c 173 s 2 are each amended to read  
7 as follows:

8 (1) Licensees of race meets that are nonprofit in nature, are of  
9 ten days or less, and have an average daily handle of one hundred  
10 twenty thousand dollars or less shall withhold and pay to the  
11 commission daily for each authorized day of racing one-half percent of  
12 the daily gross receipts from all parimutuel machines at each race  
13 meet.

14 (2) Licensees of race meets that do not fall under subsection (1)  
15 of this section shall withhold and pay to the commission daily for each  
16 authorized day of racing the following applicable percentage of all  
17 daily gross receipts from all parimutuel machines at each race meet:

18 (a) If the daily gross receipts of all parimutuel machines are more  
19 than two hundred fifty thousand dollars, the licensee shall withhold

1 and pay to the commission daily two (~~and one-half~~) percent of the  
2 daily gross receipts; and

3 (b) If the daily gross receipts of all parimutuel machines are two  
4 hundred fifty thousand dollars or less, the licensee shall withhold and  
5 pay to the commission daily one-half of one percent of the daily gross  
6 receipts.

7 (3) In addition to those amounts in subsections (1) and (2) of this  
8 section, all licensees shall forward one-tenth of one percent of the  
9 daily gross receipts of all parimutuel machines to the commission daily  
10 for payment to those nonprofit race meets as set forth in RCW 67.16.130  
11 and subsection (1) of this section, but said percentage shall not be  
12 charged against the licensees. The total of such payments shall not  
13 exceed one hundred fifty thousand dollars in any one year and any  
14 amount in excess of one hundred fifty thousand dollars shall be  
15 remitted to the general fund. Payments to nonprofit race meets under  
16 this subsection shall be distributed on a pro rata per-race-day basis  
17 and used only for purses at race tracks that have been operating under  
18 RCW 67.16.130 and subsection (1) of this section for the five  
19 consecutive years immediately preceding the year of payment.

20 (4) In addition to those sums paid to the commission in subsection  
21 (2) of this section, licensees who are nonprofit corporations and have  
22 race meets of thirty days or more shall retain and dedicate: (a) An  
23 amount equal to one and one-quarter percent of the daily gross receipts  
24 of all parimutuel machines at each race meet to be used solely for the  
25 purpose of increasing purses; and (b) an amount equal to one and one-  
26 quarter percent of the daily gross receipts of all parimutuel machines  
27 at each race meet to be deposited in an escrow or trust account and  
28 used solely for construction of a new thoroughbred race track facility  
29 in western Washington. Said percentages shall come from that amount  
30 the licensee is authorized to retain under RCW 67.16.170(2). The  
31 commission shall adopt such rules as may be necessary to enforce this  
32 subsection.

33 (5) In the event the new race track is not constructed before  
34 January 1, 2001, all funds including interest, remaining in the escrow  
35 or trust account established in subsection (4) of this section, shall  
36 revert to the state general fund.

37 **Sec. 2.** RCW 67.16.170 and 1991 c 270 s 8 are each amended to read  
38 as follows:

1 (1) Licensees of race meets that are nonprofit in nature, are of  
2 ten days or less, and have an average daily handle of one hundred  
3 twenty thousand dollars or less may retain daily for each authorized  
4 day of racing fourteen and one-half percent of daily gross receipts of  
5 all parimutuel machines at each race meet.

6 (2) Licensees of race meets that do not fall under subsection (1)  
7 of this section may retain daily for each authorized day of racing the  
8 following percentages from the daily gross receipts of all parimutuel  
9 machines at each race meet:

10 (a) If the daily gross receipts of all parimutuel machines are more  
11 than two hundred fifty thousand dollars, the licensee may retain daily  
12 (~~twelve and one-half~~) thirteen percent of the daily gross receipts;  
13 and

14 (b) If the daily gross receipts of all parimutuel machines are two  
15 hundred fifty thousand dollars or less, the licensee may retain daily  
16 fourteen and one-half percent of the daily gross receipts.

17 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.04 RCW  
18 to read as follows:

19 This chapter shall not apply to any person in respect to the  
20 business of raising, breeding, training, or selling thoroughbred race  
21 horses. This chapter shall not apply to any person in respect to the  
22 business of conducting race meets for the conduct of which a license  
23 must be secured from the horse racing commission; nor shall this  
24 chapter apply to any amounts received as purses for thoroughbred races.

25 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.08 RCW  
26 to read as follows:

27 The tax levied by RCW 82.08.020 shall not apply to sales of feed  
28 sold for thoroughbred race horses.

29 NEW SECTION. **Sec. 5.** A new section is added to chapter 81.12 RCW  
30 to read as follows:

31 The provisions of this chapter shall not apply in respect to the  
32 use of feed for thoroughbred race horses.

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