

Senate Study Bill 2358

Bill Text

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1 1 Section 1. Section [99D.14](#), subsection 6, Code 1995, is
1 2 amended by striking the subsection and inserting in lieu
1 3 thereof the following:

1 4 6. Real property used in the operation of a racetrack or
1 5 racetrack enclosure which is exempt from property taxation
1 6 under another provision of the law, including being exempt
1 7 because it is owned by a city, county, state, or charitable or
1 8 nonprofit entity, may be subject to real property taxation by
1 9 any taxing district in which the real property used in the
1 10 operation of the racetrack or racetrack enclosure is located.
1 11 To subject such real property to taxation, the governing body
1 12 of the taxing district shall pass a resolution imposing the
1 13 tax and shall notify the county assessor, director of revenue
1 14 and finance, and the owner of record of the real property by
1 15 September 1 preceding the fiscal year in which the real
1 16 property taxes are due and payable. The assessed value shall
1 17 be determined by the department of revenue and finance by
1 18 October 15 and the owner may protest the assessed value to the
1 19 state board of tax review by December 1. Real property
1 20 subject to tax as provided in this subsection shall continue
1 21 to be taxed until such time as the governing body of the
1 22 taxing district repeals the resolution subjecting the property
1 23 to taxation.

1 24 Sec. 2. Section [99F.11](#), unnumbered paragraph 1, Code 1995,
1 25 is amended to read as follows:

1 26 A tax is imposed on the adjusted gross receipts received
1 27 annually from gambling games authorized under this chapter at
1 28 the rate of five percent on the first one million dollars of
1 29 adjusted gross receipts, at the rate of ten percent on the
1 30 next two million dollars of adjusted gross receipts, and at
1 31 the rate of twenty percent on any amount of adjusted gross
1 32 receipts over three million dollars. However, beginning
1 33 January 1, 1997, the rate on any amount of adjusted gross
1 34 receipts over three million dollars from gambling games at
1 35 racetrack enclosures is twenty-two percent

~~and shall increase~~

~~2 1~~

~~by two percent each succeeding calendar year until the rate is~~

~~2 2~~

~~thirty six percent~~

~~The taxes imposed by this section shall~~

~~2 3 be paid by the licensee to the treasurer of state within ten
2 4 days after the close of the day when the wagers were made and
2 5 shall be distributed as follows:~~

~~2 6 Sec. 3. Section [99F.11](#), Code 1995, is amended by adding
2 7 the following new subsection:~~

~~2 8 **NEW SUBSECTION.** 3A. If the adjusted gross receipts from
2 9 gambling games at a racetrack enclosure are subject to a tax
2 10 rate of twenty-two percent, two percent of the adjusted gross
2 11 receipts shall be remitted to the treasurer of the state. The
2 12 tax revenues shall be distributed quarterly beginning July 1,~~

2 13 1997, to the department of education to be used for no more
2 14 than ten pilot projects with two in each congressional
2 15 district. The pilot project shall encompass one school
2 16 district and shall consist of an experimental program for
2 17 acquiring laptop computers for students for use by them in
2 18 school work which may be done in the classroom or at home.
2 19 The tax revenues shall be allocated to the pilot projects on a
2 20 per student basis.

2 21 EXPLANATION

2 22 The bill provides that real property used in the operation
2 23 of a racetrack or racetrack enclosure may be subject to
2 24 taxation even if otherwise exempt because it is owned by a
2 25 city, county, state, or a charitable or nonprofit entity. To
2 26 be so taxed, the governing body of the taxing district must
2 27 adopt a resolution subjecting the property to taxation. Once
2 28 a resolution is adopted the property will continue to be taxed
2 29 until the resolution is repealed.

2 30 The bill also limits to 22 percent the maximum state tax
2 31 rate on the adjusted gross receipts from gambling games at
2 32 racetrack enclosures. Present law provides for an eventual 36
2 33 percent state tax rate. The bill provides that 2 percent of
2 34 the adjusted gross receipts from gambling games at racetrack
2 35 enclosures which are subject to the 22 percent rate are to be
3 1 used by the department of education for pilot projects to
3 2 acquire laptop computers for students. There is to be no more
3 3 than 10 pilot projects with two located in each congressional
3 4 district.

3 5 LSB 4462SC 76

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