

# SENATE BILL No. 197

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-33-12-6.

**Synopsis:** Riverboat admissions tax distributions. Specifies that the \$0.65 of the riverboat admissions tax that is paid to the Indiana horse racing commission is to be distributed as follows: (1) \$0.23 to breed development funds established by the Indiana horse racing commission. (2) \$0.26 to racetracks approved by the Indiana horse racing commission for purses. (3) \$0.095 to racetracks approved by the Indiana horse racing commission for purses, promotions, and routine operations of the racetracks. (4) \$0.065 to the Indiana horse racing commission to promote horse racing and the development of the equine industry in Indiana.

**Effective:** July 1, 1999.

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January 6, 1999, read first time and referred to Committee on Finance.

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First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

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## SENATE BILL No. 197



A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-33-12-6 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) The department  
3 shall place in the state general fund the tax revenue collected under this  
4 chapter.

5 (b) Except as provided by subsection (c), the treasurer of state shall  
6 quarterly pay the following amounts:

7 (1) One dollar (\$1) of the admissions tax collected by the licensed  
8 owner for each person embarking on a riverboat during the  
9 quarter shall be paid to:

10 (A) the city in which the riverboat is docked, if the city:

11 (i) is described in IC 4-33-6-1(a)(1) through  
12 IC 4-33-6-1(a)(4) or in IC 4-33-6-1(b); or

13 (ii) is contiguous to the Ohio River and is the largest city in  
14 the county; and

15 (B) the county in which the riverboat is docked, if the  
16 riverboat is not docked in a city described in clause (A).

17 (2) One dollar (\$1) of the admissions tax collected by the licensed



1 owner for each person embarking on a riverboat during the  
 2 quarter shall be paid to the county in which the riverboat is  
 3 docked. In the case of a county described in subdivision (1)(B),  
 4 this one dollar (\$1) is in addition to the one dollar (\$1) received  
 5 under subdivision (1)(B).

6 (3) Ten cents (\$0.10) of the admissions tax collected by the  
 7 licensed owner for each person embarking on a riverboat during  
 8 the quarter shall be paid to the county convention and visitors  
 9 bureau or promotion fund for the county in which the riverboat is  
 10 docked.

11 (4) Fifteen cents (\$0.15) of the admissions tax collected by the  
 12 licensed owner for each person embarking on a riverboat during  
 13 a quarter shall be paid to the state fair commission, for use in any  
 14 activity that the commission is authorized to carry out under  
 15 IC 15-1.5-3.

16 (5) Ten cents (\$0.10) of the admissions tax collected by the  
 17 licensed owner for each person embarking on a riverboat during  
 18 the quarter shall be paid to the division of mental health. The  
 19 division shall allocate at least twenty-five percent (25%) of the  
 20 funds derived from the admissions tax to the prevention and  
 21 treatment of compulsive gambling.

22 (6) Sixty-five cents (\$0.65) of the admissions tax collected by the  
 23 licensed owner for each person embarking on a riverboat during  
 24 the quarter shall be paid to the Indiana horse racing commission  
 25 to be distributed as follows ~~in amounts determined by the Indiana~~  
 26 ~~horse racing commission~~; for the promotion and operation of  
 27 horse racing in Indiana:

28 (A) **Twenty-three cents (\$0.23)** to one (1) or more breed  
 29 development funds established by the Indiana horse racing  
 30 commission under IC 4-31-11-10.

31 (B) **Twenty-six cents (\$0.26)** to a ~~racetrack~~ **one (1) or more**  
 32 **racetracks** that ~~was~~ **are** approved by the Indiana horse racing  
 33 commission under IC 4-31 ~~The commission may make a grant~~  
 34 ~~under this clause only~~ for purses.

35 (C) **Nine and one-half cents (\$0.095)** to one (1) or more  
 36 **racetracks that are approved by the Indiana horse racing**  
 37 **commission under IC 4-31 for purses, promotions, and**  
 38 routine operations of the ~~racetrack~~ **racetracks**. No grants  
 39 shall be made for long term capital investment or construction  
 40 and no grants shall be made before the racetrack becomes  
 41 operational and is offering a racing schedule.

42 (D) **Six and one-half cents (\$0.065)** to the Indiana horse

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1 **racine commission to promote:**

2 **(i) horse racing; and**

3 **(ii) the development of the equine industry;**

4 **in Indiana.**

5 (c) With respect to tax revenue collected from a riverboat that  
6 operates on Patoka Lake, the treasurer of state shall quarterly pay the  
7 following amounts:

8 (1) The counties described in IC 4-33-1-1(3) shall receive one  
9 dollar (\$1) of the admissions tax collected for each person  
10 embarking on the riverboat during the quarter. This amount shall  
11 be divided equally among the counties described in  
12 IC 4-33-1-1(3).

13 (2) The Patoka Lake development account established under  
14 IC 4-33-15 shall receive one dollar (\$1) of the admissions tax  
15 collected for each person embarking on the riverboat during the  
16 quarter.

17 (3) The resource conservation and development program that:

18 (A) is established under 16 U.S.C. 3451 et seq.; and

19 (B) serves the Patoka Lake area;

20 shall receive forty cents (\$0.40) of the admissions tax collected  
21 for each person embarking on the riverboat during the quarter.

22 (4) The state general fund shall receive fifty cents (\$0.50) of the  
23 admissions tax collected for each person embarking on the  
24 riverboat during the quarter.

25 (5) The division of mental health shall receive ten cents (\$0.10)  
26 of the admissions tax collected for each person embarking on the  
27 riverboat during the quarter. The division shall allocate at least  
28 twenty-five percent (25%) of the funds derived from the  
29 admissions tax to the prevention and treatment of compulsive  
30 gambling.

31 (d) Money paid to a unit of local government under subsection  
32 (b)(1) through (b)(2) or subsection (c)(1):

33 (1) must be paid to the fiscal officer of the unit and may be  
34 deposited in the unit's general fund or riverboat fund established  
35 under IC 36-1-8-9, or both;

36 (2) may not be used to reduce the unit's maximum or actual levy  
37 under IC 6-1.1-18.5; and

38 (3) may be used for any legal or corporate purpose of the unit,  
39 including the pledge of money to bonds, leases, or other  
40 obligations under IC 5-1-14-4.

41 (e) Money paid by the treasurer of state under subsection (b)(3)  
42 shall be:

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- 1 (1) deposited in:
- 2 (A) the county convention and visitor promotion fund; or
- 3 (B) the county's general fund if the county does not have a
- 4 convention and visitor promotion fund; and
- 5 (2) used only for the tourism promotion, advertising, and
- 6 economic development activities of the county and community.
- 7 (f) Money received by the division of mental health under
- 8 subsections (b)(5) and (c)(5):
- 9 (1) is annually appropriated to the division of mental health;
- 10 (2) shall be distributed to the division of mental health at times
- 11 during each state fiscal year determined by the budget agency;
- 12 and
- 13 (3) shall be used by the division of mental health for programs
- 14 and facilities for the prevention and treatment of addictions to
- 15 drugs, alcohol, and compulsive gambling, including the creation
- 16 and maintenance of a toll free telephone line to provide the public
- 17 with information about these addictions. The division shall
- 18 allocate at least twenty-five percent (25%) of the money received
- 19 to the prevention and treatment of compulsive gambling.

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