

**CONFERENCE COMMITTEE REPORT  
DIGEST FOR ESB 528**

**Citations Affected:** IC 4-31; IC 4-33; IC 4-35; IC 5-14-3.8-3; IC 35-45-5-1.

**Synopsis:** Gaming. Authorizes the use of limited mobile gaming systems at racetracks, satellite facilities, and in the gaming area of a riverboat or racino. Allows gaming licensees to deduct adjusted gross receipts attributable to free play wagering on the day that the free play wager is made. Provides that the total amount deducted by a licensee for free play may not exceed \$2,500,000 in state fiscal year 2013 and \$5,000,000 in state fiscal years 2014 through 2016. Provides that certain local development agreement reports must be made available through the Indiana transparency web site for local government. Provides that the lowest bracket of the wagering tax rate schedule for riverboats that had less than \$75,000,000 of adjusted gross receipts during the preceding state fiscal year is 5% instead of 15%. Imposes an additional tax of \$2,500,000 if the riverboats taxed under the alternative schedule receive adjusted gross receipts exceeding \$75,000,000 in a particular state fiscal year. Increases the maximum value of a prize that may be won in a toy crane machine or other device played for amusement. Requires the gaming commission to study the use of complimentary promotional credit programs. Repeals obsolete provisions concerning the riverboat admissions taxes formerly distributed to the horse racing commission. Makes technical corrections. **(This conference committee report does the following: (1) Authorizes the use of limited mobile gaming systems. (2) Provides that the total amount deducted by a licensee for promotional play may not exceed \$2,500,000 in state fiscal year 2013 and \$5,000,000 in state fiscal years 2014 through 2016. (3) Provides that deductions may be taken at any time during a state fiscal year. (4) Reduces the tax rate for the lowest bracket from 15% to 5% for riverboats that had less than \$75,000,000 of adjusted gross receipts during the preceding state fiscal year. (5) Deletes provisions that have passed in either HEA 1176 or SEA 609. (6) Deletes a provision concerning amusement devices.)**

**Effective:** Upon passage; July 1, 2013.

# CONFERENCE COMMITTEE REPORT

**MADAM PRESIDENT:**

*Your Conference Committee appointed to confer with a like committee from the House upon Engrossed House Amendments to Engrossed Senate Bill No. 528 respectfully reports that said two committees have conferred and agreed as follows to wit:*

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

- 1 Delete everything after the enacting clause and insert the following:  
2 SECTION 1. IC 4-31-2-1.5 IS ADDED TO THE INDIANA CODE  
3 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
4 **UPON PASSAGE]: Sec. 1.5. "Approved limited mobile gaming**  
5 **system" means a limited mobile gaming system approved by the**  
6 **commission under IC 4-31-7-10.**
- 7 SECTION 2. IC 4-31-2-10.3 IS ADDED TO THE INDIANA CODE  
8 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
9 **UPON PASSAGE]: Sec. 10.3. "Limited mobile gaming system"**  
10 **refers to a system that enables a permit holder to accept**  
11 **pari-mutuel horse racing wagers from patrons who are present at:**  
12 **(1) a satellite facility; or**  
13 **(2) a simulcast facility located at the permit holder's**  
14 **racetrack;**  
15 **through the use of mobile gaming devices approved under this**  
16 **article.**
- 17 SECTION 3. IC 4-31-2-10.4 IS ADDED TO THE INDIANA CODE  
18 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
19 **UPON PASSAGE]: Sec. 10.4. "Mobile gaming device" means an**  
20 **electronic device, including software, that does the following:**  
21 **(1) Displays information related to pari-mutuel horse racing.**

1           **(2) Enables a patron to place a wager on pari-mutuel horse**  
 2           **racing from an approved location using money placed into a**  
 3           **deposit account maintained under the rules of the**  
 4           **commission.**

5           SECTION 4. IC 4-31-5-10 IS AMENDED TO READ AS  
 6           FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. Upon receipt  
 7           of an application from a recognized meeting permit holder, the  
 8           commission may grant ~~special~~ permission for:

- 9           (1) more than nine (9) races each day; ~~or~~  
 10          (2) race cards lost because of inclement weather or other  
 11          emergencies, to be made up at the rate of one (1) race each day or  
 12          on additional dates as granted by the commission; ~~or~~  
 13          **(3) use of an approved limited mobile gaming system.**

14          SECTION 5. IC 4-31-5.5-6 IS AMENDED TO READ AS  
 15          FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. **(a)** A permit  
 16          holder or group of permit holders that is authorized to operate satellite  
 17          facilities may accept and transmit pari-mutuel wagers on horse racing  
 18          at those facilities and may engage in all activities necessary to establish  
 19          and operate appropriate satellite wagering facilities, including the  
 20          following:

- 21          (1) Live simulcasts of horse racing conducted at the permit  
 22          holder's racetrack or at other racetracks. However, a satellite  
 23          facility operated by a permit holder may not simulcast races  
 24          conducted in other states on any day that is not a live racing day  
 25          (as defined in section 3 of this chapter) unless the satellite facility  
 26          also simulcasts all available races conducted in Indiana on that  
 27          day.  
 28          (2) Construction or leasing of satellite wagering facilities.  
 29          (3) Sale of food and beverages.  
 30          (4) Advertising and promotion.  
 31          (5) All other related activities.

32          **(b) A permit holder authorized to operate a satellite facility may**  
 33          **use an approved limited mobile gaming system to accept**  
 34          **pari-mutuel wagers on horse racing at the satellite facility in**  
 35          **accordance with IC 4-31-7-10.**

36          SECTION 6. IC 4-31-7-10 IS ADDED TO THE INDIANA CODE  
 37          AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
 38          UPON PASSAGE]: Sec. 10. **(a)** A permit holder may request  
 39          approval from the commission to use a limited mobile gaming  
 40          system in the pari-mutuel wagering conducted at the following  
 41          facilities operated by the permit holder:

- 42          **(1) A satellite facility.**  
 43          **(2) A simulcast facility located at the permit holder's**  
 44          **racetrack.**

45          **(b) The commission may approve the use of a limited mobile**  
 46          **gaming system to allow a patron to wager on pari-mutuel horse**  
 47          **racing while present in a facility described in subsection (a). A**  
 48          **patron may not transmit a wager using a mobile gaming device**  
 49          **while present in any other location.**

50          SECTION 7. IC 4-33-2-3.5 IS ADDED TO THE INDIANA CODE  
 51          AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE

1 UPON PASSAGE]: **Sec. 3.5. "Approved limited mobile gaming**  
 2 **system" means a limited mobile gaming system approved by the**  
 3 **commission under IC 4-33-9-17.**

4 SECTION 8. IC 4-33-2-13.3 IS ADDED TO THE INDIANA CODE  
 5 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
 6 **UPON PASSAGE]: Sec. 13.3. "Limited mobile gaming system"**  
 7 **refers to a system that enables a licensed owner or operating agent**  
 8 **to accept wagers through the use of mobile gaming devices**  
 9 **approved under this article.**

10 SECTION 9. IC 4-33-2-13.5 IS ADDED TO THE INDIANA CODE  
 11 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
 12 **UPON PASSAGE]: Sec. 13.5. "Mobile gaming device" means an**  
 13 **electronic device, including software, that does the following:**

14 **(1) Displays information related to a gambling game.**

15 **(2) Enables a patron to place a wager on a gambling game**  
 16 **from an approved location using money placed into a deposit**  
 17 **account maintained under the rules of the commission.**

18 SECTION 10. IC 4-33-2-17.5 IS REPEALED [EFFECTIVE UPON  
 19 PASSAGE]. ~~Sec. 17.5. "Slot machine taxes" means the taxes imposed~~  
 20 ~~under IC 4-35-8-1 on the adjusted gross receipts of gambling games~~  
 21 ~~conducted under IC 4-35.~~

22 SECTION 11. IC 4-33-4-5 IS AMENDED TO READ AS  
 23 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The commission  
 24 shall adopt standards for the licensing of the following:

25 (1) Persons regulated under this article.

26 (2) Electronic or mechanical gambling games.

27 **(3) Limited mobile gaming systems and mobile gaming**  
 28 **devices.**

29 SECTION 12. IC 4-33-4-17 IS AMENDED TO READ AS  
 30 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) The  
 31 commission shall decide promptly and in reasonable order all license  
 32 applications.

33 ~~(b) Notwithstanding any provision of this article, no owner's license~~  
 34 ~~may be granted for any riverboat that is not to be docked in the city~~  
 35 ~~described under IC 4-33-6-1(a)(1) until the earlier of:~~

36 ~~(1) the issuance of an owner's license for a riverboat that is to be~~  
 37 ~~docked in the city described under IC 4-33-6-1(a)(1); or~~

38 ~~(2) September 1, 1994.~~

39 ~~(c) (b) A party aggrieved by an action of the commission denying,~~  
 40 ~~suspending, revoking, restricting, or refusing the renewal of a license~~  
 41 ~~may request a hearing before the commission. A request for a hearing~~  
 42 ~~must be made to the commission in writing not more than ten (10) days~~  
 43 ~~after service of notice of the action of the commission.~~

44 ~~(d) (c) The commission shall serve notice of the commission's~~  
 45 ~~actions to a party by personal delivery or by certified mail. Notice~~  
 46 ~~served by certified mail is considered complete on the business day~~  
 47 ~~following the date of the mailing.~~

48 ~~(e) (d) The commission shall conduct all requested hearings~~  
 49 ~~promptly and in reasonable order.~~

50 SECTION 13. IC 4-33-5-1 IS AMENDED TO READ AS  
 51 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. An applicant for

1 a license or an operating agent contract under this article must provide  
2 the following information to the commission:

3 (1) The name, business address, and business telephone number  
4 of the applicant.

5 (2) An identification of the applicant.

6 (3) The following information for an applicant that is not an  
7 individual:

8 (A) The state of incorporation or registration.

9 (B) The names of all corporate officers.

10 (C) The identity of the following:

11 (i) Any person in which the applicant has an equity interest  
12 of at least one percent (1%) of all shares. The identification  
13 must include the state of incorporation or registration if  
14 applicable. However, an applicant that has a pending  
15 registration statement filed with the Securities and Exchange  
16 Commission is not required to provide information under  
17 this item.

18 (ii) The shareholders or participants of the applicant. An  
19 applicant that has a pending registration statement filed with  
20 the Securities and Exchange Commission is required to  
21 provide only the names of persons holding an interest of  
22 more than one percent (1%) of all shares.

23 (4) An identification of any business, including the state of  
24 incorporation or registration if applicable, in which an applicant  
25 or the spouse or children of an applicant has an equity interest of  
26 more than one percent (1%) of all shares.

27 (5) If the applicant has been indicted, been convicted, pleaded  
28 guilty or nolo contendere, or forfeited bail concerning a criminal  
29 offense other than a traffic violation under the laws of any  
30 jurisdiction. The applicant must include the following information  
31 under this subdivision:

32 (A) The name and location of the following:

33 (i) The court.

34 (ii) The arresting agency.

35 (iii) The prosecuting agency.

36 (B) The case number.

37 (C) The date and type of offense.

38 (D) The disposition of the case.

39 (E) The location and length of incarceration.

40 (6) If the applicant has had a license or certificate issued by a  
41 licensing authority in Indiana or any other jurisdiction denied,  
42 restricted, suspended, revoked, or not renewed. An applicant must  
43 provide the following information under this subdivision:

44 (A) A statement describing the facts and circumstances  
45 concerning the denial, restriction, suspension, revocation, or  
46 nonrenewal.

47 (B) The date each action described in clause (A) was taken.

48 (C) The reason each action described in clause (A) was taken.

49 (7) If the applicant has:

50 (A) filed or had filed against the applicant a proceeding in

- 1 bankruptcy; or
- 2 (B) been involved in a formal process to adjust, defer,
- 3 suspend, or work out the payment of a debt;
- 4 including the date of filing, the name and location of the court,
- 5 and the case and number of the disposition.
- 6 (8) If the applicant has filed or been served with a complaint or
- 7 notice filed with a public body concerning:
- 8 (A) a delinquency in the payment of; or
- 9 (B) a dispute over a filing concerning the payment of;
- 10 a tax required under federal, state, or local law, including the
- 11 amount, type of tax, the taxing agency, and times involved.
- 12 (9) A statement listing the names and titles of public officials or
- 13 officers of units of government and relatives of the public officials
- 14 or officers who directly or indirectly:
- 15 (A) have a financial interest in;
- 16 (B) have a beneficial interest in;
- 17 (C) are the creditors of;
- 18 (D) hold a debt instrument issued by; or
- 19 (E) have an interest in a contractual or service relationship
- 20 with;
- 21 an applicant.
- 22 (10) If an applicant for an operating agent contract or an owner's
- 23 or a supplier's license has directly or indirectly made a political
- 24 contribution, loan, donation, or other payment to a candidate or an
- 25 office holder in Indiana not more than five (5) years before the
- 26 date the applicant filed the application. An applicant must provide
- 27 information concerning the amount and method of a payment
- 28 described in this subdivision.
- 29 (11) The name and business telephone number of the attorney
- 30 who will represent the applicant in matters before the
- 31 commission.
- 32 (12) A description of a proposed or an approved riverboat gaming
- 33 operation, including the following information:
- 34 (A) The type of ~~boat~~ **riverboat**.
- 35 (B) The **site or** home dock location **of the riverboat**.
- 36 (C) The expected economic benefit to local communities.
- 37 (D) The anticipated or actual number of employees.
- 38 (E) Any statements from the applicant concerning compliance
- 39 with federal and state affirmative action guidelines.
- 40 (F) Anticipated or actual admissions.
- 41 (G) Anticipated or actual adjusted gross gaming receipts.
- 42 (13) A description of the product or service to be supplied by the
- 43 applicant if the applicant has applied for a supplier's license.
- 44 (14) The following information from each licensee or operating
- 45 agent involved in the ownership or management of gambling
- 46 operations:
- 47 (A) An annual balance sheet.
- 48 (B) An annual income statement.
- 49 (C) A list of the stockholders or other persons having at least
- 50 a one percent (1%) beneficial interest in the gambling

- 1 activities of the person who has been issued the owner's  
 2 license or operating agent contract.
- 3 (D) Any other information the commission considers  
 4 necessary for the effective administration of this article.
- 5 SECTION 14. IC 4-33-6-1, AS AMENDED BY P.L.137-2012,  
 6 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 UPON PASSAGE]: Sec. 1. (a) The commission may issue to a person  
 8 a license to own a riverboat subject to the numerical and geographical  
 9 limitation of owner's licenses under this section, section 3.5 of this  
 10 chapter, and IC 4-33-4-17. However, not more than ten (10) owner's  
 11 licenses may be in effect at any time. ~~Except as provided in subsection~~  
 12 ~~(b)~~; Those ten (10) licenses are as follows:
- 13 (1) Two (2) licenses for a riverboat that operates from the city of  
 14 Gary.
- 15 (2) One (1) license for a riverboat that operates from the city of  
 16 Hammond.
- 17 (3) One (1) license for a riverboat that operates from the city of  
 18 East Chicago.
- 19 (4) One (1) license for a city located in the counties described  
 20 under IC 4-33-1-1(1). This license may not be issued to a city  
 21 described in subdivisions (1) through (3).
- 22 (5) A total of five (5) licenses for riverboats that operate upon the  
 23 Ohio River from the following counties:
- 24 (A) Vanderburgh County.
- 25 (B) Harrison County.
- 26 (C) Switzerland County.
- 27 (D) Ohio County.
- 28 (E) Dearborn County.
- 29 The commission may not issue a license to an applicant if the  
 30 issuance of the license would result in more than one (1) riverboat  
 31 operating from a county described in this subdivision.
- 32 ~~(b) If a city described in subsection (a)(2) or (a)(3) conducts two (2)~~  
 33 ~~elections under section 20 of this chapter, and the voters of the city do~~  
 34 ~~not vote in favor of permitting riverboat gambling at either of those~~  
 35 ~~elections, the license assigned to that city under subsection (a)(2) or~~  
 36 ~~(a)(3) may be issued to any city that:~~
- 37 ~~(1) does not already have a riverboat operating from the city; and~~  
 38 ~~(2) is located in a county described in IC 4-33-1-1(1).~~
- 39 ~~(c) (b)~~ In addition to its power to issue owner's licenses under  
 40 subsection (a), the commission may also enter into a contract under  
 41 IC 4-33-6.5 with respect to the operation of one (1) riverboat on behalf  
 42 of the commission in a historic hotel district.
- 43 ~~(d) (c)~~ A person holding an owner's license may not move the  
 44 person's riverboat from the county in which the riverboat was docked  
 45 on January 1, 2007, to any other county.
- 46 SECTION 15. IC 4-33-9-15 IS AMENDED TO READ AS  
 47 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) All tokens,  
 48 chips, or electronic cards that are used to make wagers must be  
 49 ~~purchased~~ **acquired** from the owner or operating agent of the riverboat:  
 50 (1) while ~~on board~~ **present in** the riverboat; or

1 (2) at an on-shore facility that:

2 (A) has been approved by the commission; and

3 (B) is located where the riverboat docks.

4 (b) The tokens, chips, or electronic cards may be ~~purchased~~  
5 **acquired** by means of an agreement under which the owner or  
6 operating agent extends credit to the patron.

7 SECTION 16. IC 4-33-9-17 IS ADDED TO THE INDIANA CODE  
8 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE  
9 UPON PASSAGE]: **Sec. 17. (a) A licensed owner or operating agent**  
10 **may request approval from the commission to use a limited mobile**  
11 **gaming system in the gambling operations of the licensed owner or**  
12 **operating agent.**

13 **(b) The commission may approve the use of a limited mobile**  
14 **gaming system under this article to allow a patron to wager on**  
15 **gambling games while present in the gaming area (as defined under**  
16 **the rules of the commission) of a riverboat. A patron may not**  
17 **transmit a wager using a mobile gaming device while present in**  
18 **any other location.**

19 SECTION 17. IC 4-33-12-6, AS AMENDED BY P.L.119-2012,  
20 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
21 JULY 1, 2013]: **Sec. 6. (a)** The department shall place in the state  
22 general fund the tax revenue collected under this chapter.

23 (b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7,  
24 the treasurer of state shall quarterly pay the following amounts:

25 (1) Except as provided in subsection (k), one dollar (\$1) of the  
26 admissions tax collected by the licensed owner for each person  
27 embarking on a gambling excursion during the quarter or  
28 admitted to a riverboat that has implemented flexible scheduling  
29 under IC 4-33-6-21 during the quarter shall be paid to:

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

31 (i) is located in a county having a population of more than  
32 one hundred eleven thousand (111,000) but less than one  
33 hundred fifteen thousand (115,000); or

34 (ii) is contiguous to the Ohio River and is the largest city in  
35 the county; and

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

38 (2) Except as provided in subsection (k), one dollar (\$1) of the  
39 admissions tax collected by the licensed owner for each person:

40 (A) embarking on a gambling excursion during the quarter; or

41 (B) admitted to a riverboat during the quarter that has  
42 implemented flexible scheduling under IC 4-33-6-21;

43 shall be paid to the county in which the riverboat is docked. In the  
44 case of a county described in subdivision (1)(B), this one dollar  
45 (\$1) is in addition to the one dollar (\$1) received under  
46 subdivision (1)(B).

47 (3) Except as provided in subsection (k), ten cents (\$0.10) of the  
48 admissions tax collected by the licensed owner for each person:

49 (A) embarking on a gambling excursion during the quarter; or

50 (B) admitted to a riverboat during the quarter that has  
51 implemented flexible scheduling under IC 4-33-6-21;

1 shall be paid to the county convention and visitors bureau or  
 2 promotion fund for the county in which the riverboat is docked.

3 (4) Except as provided in subsection (k), fifteen cents (\$0.15) of  
 4 the admissions tax collected by the licensed owner for each  
 5 person:

6 (A) embarking on a gambling excursion during the quarter; or

7 (B) admitted to a riverboat during a quarter that has  
 8 implemented flexible scheduling under IC 4-33-6-21;

9 shall be paid to the state fair commission, for use in any activity  
 10 that the commission is authorized to carry out under IC 15-13-3.

11 (5) Except as provided in subsection (k), ten cents (\$0.10) of the  
 12 admissions tax collected by the licensed owner for each person:

13 (A) embarking on a gambling excursion during the quarter; or

14 (B) admitted to a riverboat during the quarter that has  
 15 implemented flexible scheduling under IC 4-33-6-21;

16 shall be paid to the division of mental health and addiction. The  
 17 division shall allocate at least twenty-five percent (25%) of the  
 18 funds derived from the admissions tax to the prevention and  
 19 treatment of compulsive gambling.

20 (6) Except as provided in subsection (k), ~~and section 7 of this~~  
 21 ~~chapter~~, sixty-five cents (\$0.65) of the admissions tax collected by  
 22 the licensed owner for each person embarking on a gambling  
 23 excursion during the quarter or admitted to a riverboat during the  
 24 quarter that has implemented flexible scheduling under  
 25 IC 4-33-6-21 shall be paid to the ~~Indiana horse racing commission~~  
 26 ~~to be distributed as follows, in amounts determined by the Indiana~~  
 27 ~~horse racing commission, for the promotion and operation of~~  
 28 ~~horse racing in Indiana:~~

29 (A) ~~To one (1) or more breed development funds established~~  
 30 ~~by the Indiana horse racing commission under IC 4-31-11-10:~~

31 (B) ~~To a racetrack that was approved by the Indiana horse~~  
 32 ~~racing commission under IC 4-31. The commission may make~~  
 33 ~~a grant under this clause only for purses, promotions, and~~  
 34 ~~routine operations of the racetrack. No grants shall be made~~  
 35 ~~for long term capital investment or construction, and no grants~~  
 36 ~~shall be made before the racetrack becomes operational and is~~  
 37 ~~offering a racing schedule. state general fund.~~

38 (c) With respect to tax revenue collected from a riverboat located in  
 39 a historic hotel district, the treasurer of state shall quarterly pay the  
 40 following:

41 (1) With respect to admissions taxes collected for a person  
 42 admitted to the riverboat before July 1, 2010, the following  
 43 amounts:

44 (A) Twenty-two percent (22%) of the admissions tax collected  
 45 during the quarter shall be paid to the county treasurer of the  
 46 county in which the riverboat is located. The county treasurer  
 47 shall distribute the money received under this clause as  
 48 follows:

49 (i) Twenty-two and seventy-five hundredths percent  
 50 (22.75%) shall be quarterly distributed to the county

1 treasurer of a county having a population of more than forty  
 2 thousand (40,000) but less than forty-two thousand (42,000)  
 3 for appropriation by the county fiscal body after receiving a  
 4 recommendation from the county executive. The county  
 5 fiscal body for the receiving county shall provide for the  
 6 distribution of the money received under this item to one (1)  
 7 or more taxing units (as defined in IC 6-1.1-1-21) in the  
 8 county under a formula established by the county fiscal body  
 9 after receiving a recommendation from the county executive.  
 10 (ii) Twenty-two and seventy-five hundredths percent  
 11 (22.75%) shall be quarterly distributed to the county  
 12 treasurer of a county having a population of more than ten  
 13 thousand seven hundred (10,700) but less than twelve  
 14 thousand (12,000) for appropriation by the county fiscal  
 15 body. The county fiscal body for the receiving county shall  
 16 provide for the distribution of the money received under this  
 17 item to one (1) or more taxing units (as defined in  
 18 IC 6-1.1-1-21) in the county under a formula established by  
 19 the county fiscal body after receiving a recommendation  
 20 from the county executive.  
 21 (iii) Fifty-four and five-tenths percent (54.5%) shall be  
 22 retained by the county where the riverboat is located for  
 23 appropriation by the county fiscal body after receiving a  
 24 recommendation from the county executive.  
 25 (B) Five percent (5%) of the admissions tax collected during  
 26 the quarter shall be paid to a town having a population of more  
 27 than two thousand (2,000) but less than three thousand five  
 28 hundred (3,500) located in a county having a population of  
 29 more than nineteen thousand five hundred (19,500) but less  
 30 than twenty thousand (20,000). At least twenty percent (20%)  
 31 of the taxes received by a town under this clause must be  
 32 transferred to the school corporation in which the town is  
 33 located.  
 34 (C) Five percent (5%) of the admissions tax collected during  
 35 the quarter shall be paid to a town having a population of more  
 36 than three thousand five hundred (3,500) located in a county  
 37 having a population of more than nineteen thousand five  
 38 hundred (19,500) but less than twenty thousand (20,000). At  
 39 least twenty percent (20%) of the taxes received by a town  
 40 under this clause must be transferred to the school corporation  
 41 in which the town is located.  
 42 (D) Twenty percent (20%) of the admissions tax collected  
 43 during the quarter shall be paid in equal amounts to each town  
 44 that:  
 45 (i) is located in the county in which the riverboat is located;  
 46 and  
 47 (ii) contains a historic hotel.  
 48 At least twenty percent (20%) of the taxes received by a town  
 49 under this clause must be transferred to the school corporation  
 50 in which the town is located.

- 1 (E) Ten percent (10%) of the admissions tax collected during  
2 the quarter shall be paid to the Orange County development  
3 commission established under IC 36-7-11.5. At least one-third  
4 (1/3) of the taxes paid to the Orange County development  
5 commission under this clause must be transferred to the  
6 Orange County convention and visitors bureau.
- 7 (F) Thirteen percent (13%) of the admissions tax collected  
8 during the quarter shall be paid to the West Baden Springs  
9 historic hotel preservation and maintenance fund established  
10 by IC 36-7-11.5-11(b).
- 11 (G) Twenty-five percent (25%) of the admissions tax collected  
12 during the quarter shall be paid to the Indiana economic  
13 development corporation to be used by the corporation for the  
14 development and implementation of a regional economic  
15 development strategy to assist the residents of the county in  
16 which the riverboat is located and residents of contiguous  
17 counties in improving their quality of life and to help promote  
18 successful and sustainable communities. The regional  
19 economic development strategy must include goals concerning  
20 the following issues:
- 21 (i) Job creation and retention.
  - 22 (ii) Infrastructure, including water, wastewater, and storm  
23 water infrastructure needs.
  - 24 (iii) Housing.
  - 25 (iv) Workforce training.
  - 26 (v) Health care.
  - 27 (vi) Local planning.
  - 28 (vii) Land use.
  - 29 (viii) Assistance to regional economic development groups.
  - 30 (ix) Other regional development issues as determined by the  
31 Indiana economic development corporation.
- 32 (2) With respect to admissions taxes collected for a person  
33 admitted to the riverboat after June 30, 2010, the following  
34 amounts:
- 35 (A) Twenty-nine and thirty-three hundredths percent (29.33%)  
36 to the county treasurer of Orange County. The county treasurer  
37 shall distribute the money received under this clause as  
38 follows:
    - 39 (i) Twenty-two and seventy-five hundredths percent  
40 (22.75%) to the county treasurer of Dubois County for  
41 distribution in the manner described in subdivision  
42 (1)(A)(i).
    - 43 (ii) Twenty-two and seventy-five hundredths percent  
44 (22.75%) to the county treasurer of Crawford County for  
45 distribution in the manner described in subdivision  
46 (1)(A)(ii).
    - 47 (iii) Fifty-four and five-tenths percent (54.5%) to be retained  
48 by the county treasurer of Orange County for appropriation  
49 by the county fiscal body after receiving a recommendation  
50 from the county executive.

- 1 (B) Six and sixty-seven hundredths percent (6.67%) to the  
 2 fiscal officer of the town of Orleans. At least twenty percent  
 3 (20%) of the taxes received by the town under this clause must  
 4 be transferred to Orleans Community Schools.
- 5 (C) Six and sixty-seven hundredths percent (6.67%) to the  
 6 fiscal officer of the town of Paoli. At least twenty percent  
 7 (20%) of the taxes received by the town under this clause must  
 8 be transferred to the Paoli Community School Corporation.
- 9 (D) Twenty-six and sixty-seven hundredths percent (26.67%)  
 10 to be paid in equal amounts to the fiscal officers of the towns  
 11 of French Lick and West Baden Springs. At least twenty  
 12 percent (20%) of the taxes received by a town under this  
 13 clause must be transferred to the Springs Valley Community  
 14 School Corporation.
- 15 (E) Thirty and sixty-six hundredths percent (30.66%) to the  
 16 Indiana economic development corporation to be used in the  
 17 manner described in subdivision (1)(G).
- 18 (d) With respect to tax revenue collected from a riverboat that  
 19 operates from a county having a population of more than four hundred  
 20 thousand (400,000) but less than seven hundred thousand (700,000),  
 21 the treasurer of state shall quarterly pay the following amounts:
- 22 (1) Except as provided in subsection (k), one dollar (\$1) of the  
 23 admissions tax collected by the licensed owner for each person:  
 24 (A) embarking on a gambling excursion during the quarter; or  
 25 (B) admitted to a riverboat during the quarter that has  
 26 implemented flexible scheduling under IC 4-33-6-21;  
 27 shall be paid to the city in which the riverboat is docked.
- 28 (2) Except as provided in subsection (k), one dollar (\$1) of the  
 29 admissions tax collected by the licensed owner for each person:  
 30 (A) embarking on a gambling excursion during the quarter; or  
 31 (B) admitted to a riverboat during the quarter that has  
 32 implemented flexible scheduling under IC 4-33-6-21;  
 33 shall be paid to the county in which the riverboat is docked.
- 34 (3) Except as provided in subsection (k), nine cents (\$0.09) of the  
 35 admissions tax collected by the licensed owner for each person:  
 36 (A) embarking on a gambling excursion during the quarter; or  
 37 (B) admitted to a riverboat during the quarter that has  
 38 implemented flexible scheduling under IC 4-33-6-21;  
 39 shall be paid to the county convention and visitors bureau or  
 40 promotion fund for the county in which the riverboat is docked.
- 41 (4) Except as provided in subsection (k), one cent (\$0.01) of the  
 42 admissions tax collected by the licensed owner for each person:  
 43 (A) embarking on a gambling excursion during the quarter; or  
 44 (B) admitted to a riverboat during the quarter that has  
 45 implemented flexible scheduling under IC 4-33-6-21;  
 46 shall be paid to the northwest Indiana law enforcement training  
 47 center.
- 48 (5) Except as provided in subsection (k), fifteen cents (\$0.15) of  
 49 the admissions tax collected by the licensed owner for each  
 50 person:

- 1 (A) embarking on a gambling excursion during the quarter; or  
 2 (B) admitted to a riverboat during a quarter that has  
 3 implemented flexible scheduling under IC 4-33-6-21;  
 4 shall be paid to the state fair commission for use in any activity  
 5 that the commission is authorized to carry out under IC 15-13-3.  
 6 (6) Except as provided in subsection (k), ten cents (\$0.10) of the  
 7 admissions tax collected by the licensed owner for each person:  
 8 (A) embarking on a gambling excursion during the quarter; or  
 9 (B) admitted to a riverboat during the quarter that has  
 10 implemented flexible scheduling under IC 4-33-6-21;  
 11 shall be paid to the division of mental health and addiction. The  
 12 division shall allocate at least twenty-five percent (25%) of the  
 13 funds derived from the admissions tax to the prevention and  
 14 treatment of compulsive gambling.  
 15 (7) Except as provided in subsection (k), ~~and section 7 of this~~  
 16 ~~chapter~~, sixty-five cents (\$0.65) of the admissions tax collected by  
 17 the licensed owner for each person embarking on a gambling  
 18 excursion during the quarter or admitted to a riverboat during the  
 19 quarter that has implemented flexible scheduling under  
 20 IC 4-33-6-21 shall be paid to the ~~Indiana horse racing commission~~  
 21 ~~to be distributed as follows; in amounts determined by the Indiana~~  
 22 ~~horse racing commission; for the promotion and operation of~~  
 23 ~~horse racing in Indiana:~~  
 24 (A) ~~To one (1) or more breed development funds established~~  
 25 ~~by the Indiana horse racing commission under IC 4-31-11-10.~~  
 26 (B) ~~To a racetrack that was approved by the Indiana horse~~  
 27 ~~racing commission under IC 4-31. The commission may make~~  
 28 ~~a grant under this clause only for purses, promotions, and~~  
 29 ~~routine operations of the racetrack. No grants shall be made~~  
 30 ~~for long term capital investment or construction, and no grants~~  
 31 ~~shall be made before the racetrack becomes operational and is~~  
 32 ~~offering a racing schedule. state general fund.~~  
 33 (e) Money paid to a unit of local government under subsection (b),  
 34 (c), or (d):  
 35 (1) must be paid to the fiscal officer of the unit and may be  
 36 deposited in the unit's general fund or riverboat fund established  
 37 under IC 36-1-8-9, or both;  
 38 (2) may not be used to reduce the unit's maximum levy under  
 39 IC 6-1.1-18.5 but may be used at the discretion of the unit to  
 40 reduce the property tax levy of the unit for a particular year;  
 41 (3) may be used for any legal or corporate purpose of the unit,  
 42 including the pledge of money to bonds, leases, or other  
 43 obligations under IC 5-1-14-4; and  
 44 (4) is considered miscellaneous revenue.  
 45 (f) Money paid by the treasurer of state under subsection (b)(3) or  
 46 (d)(3) shall be:  
 47 (1) deposited in:  
 48 (A) the county convention and visitor promotion fund; or  
 49 (B) the county's general fund if the county does not have a  
 50 convention and visitor promotion fund; and

- 1 (2) used only for the tourism promotion, advertising, and  
 2 economic development activities of the county and community.
- 3 (g) Money received by the division of mental health and addiction  
 4 under subsections (b)(5) and (d)(6):
- 5 (1) is annually appropriated to the division of mental health and  
 6 addiction;
- 7 (2) shall be distributed to the division of mental health and  
 8 addiction at times during each state fiscal year determined by the  
 9 budget agency; and
- 10 (3) shall be used by the division of mental health and addiction  
 11 for programs and facilities for the prevention and treatment of  
 12 addictions to drugs, alcohol, and compulsive gambling, including  
 13 the creation and maintenance of a toll free telephone line to  
 14 provide the public with information about these addictions. The  
 15 division shall allocate at least twenty-five percent (25%) of the  
 16 money received to the prevention and treatment of compulsive  
 17 gambling.
- 18 (h) This subsection applies to the following:
- 19 (1) Each entity receiving money under subsection ~~(b)~~: **(b)(1)**  
 20 **through (b)(5)**.
- 21 (2) Each entity receiving money under subsection (d)(1) through  
 22 (d)(2).
- 23 (3) Each entity receiving money under subsection (d)(5) through  
 24 ~~(d)(7)~~: **(d)(6)**.
- 25 The treasurer of state shall determine the total amount of money paid  
 26 by the treasurer of state to an entity subject to this subsection during  
 27 the state fiscal year 2002. The amount determined under this subsection  
 28 is the base year revenue for each entity subject to this subsection. The  
 29 treasurer of state shall certify the base year revenue determined under  
 30 this subsection to each entity subject to this subsection.
- 31 (i) This subsection applies to an entity receiving money under  
 32 subsection (d)(3) or (d)(4). The treasurer of state shall determine the  
 33 total amount of money paid by the treasurer of state to the entity  
 34 described in subsection (d)(3) during state fiscal year 2002. The  
 35 amount determined under this subsection multiplied by nine-tenths  
 36 (0.9) is the base year revenue for the entity described in subsection  
 37 (d)(3). The amount determined under this subsection multiplied by  
 38 one-tenth (0.1) is the base year revenue for the entity described in  
 39 subsection (d)(4). The treasurer of state shall certify the base year  
 40 revenue determined under this subsection to each entity subject to this  
 41 subsection.
- 42 (j) This subsection does not apply to an entity receiving money  
 43 under subsection (c). ~~For state fiscal years beginning after June 30,~~  
 44 ~~2002~~; The total amount of money distributed to an entity under this  
 45 section during a state fiscal year may not exceed the entity's base year  
 46 revenue as determined under subsection (h) or (i). If the treasurer of  
 47 state determines that the total amount of money distributed to an entity  
 48 under this section during a state fiscal year is less than the entity's base  
 49 year revenue, the treasurer of state shall make a supplemental  
 50 distribution to the entity under IC 4-33-13-5(g).

1 (k) This subsection does not apply to an entity receiving money  
 2 under subsection (c). ~~For state fiscal years beginning after June 30;~~  
 3 ~~2002;~~ The treasurer of state shall pay that part of the riverboat  
 4 admissions taxes that:

5 (1) exceeds a particular entity's base year revenue; and

6 (2) would otherwise be due to the entity under this section;

7 to the state general fund instead of to the entity.

8 SECTION 18. IC 4-33-12-7 IS REPEALED [EFFECTIVE JULY 1,  
 9 2013]. Sec. 7. (a) ~~The maximum amount paid to the Indiana horse~~  
 10 ~~racing commission under this article in a state fiscal year may not~~  
 11 ~~exceed the remainder of:~~

12 ~~(1) the Indiana horse racing commission's base year revenue as~~  
 13 ~~determined under section 6(h) of this chapter; minus~~

14 ~~(2) the amount of money, if any, distributed by licensees under~~  
 15 ~~IC 4-35-7-12 to horsemen's associations and for horse racing~~  
 16 ~~purses and breed development in the state fiscal year.~~

17 (b) For each state fiscal year, the treasurer of state shall pay an  
 18 amount equal to the lesser of:

19 (1) the amount of admissions taxes specified in:

20 (A) section 6(b)(6) of this chapter; and

21 (B) section 6(d)(7) of this chapter; or

22 (2) the amount of money distributed under ~~IC 4-35-7-12~~ that is  
 23 subtracted from the Indiana horse racing commission's base year  
 24 revenue under subsection (a);

25 to the state general fund instead of to the Indiana horse racing  
 26 commission.

27 SECTION 19. IC 4-33-13-1 IS AMENDED TO READ AS  
 28 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 1. (a) This section does  
 29 not apply to a riverboat that has implemented flexible scheduling under  
 30 IC 4-33-6-21.

31 (b) Subject to section ~~1.5(h)~~ **1.5(j)** of this chapter, a tax is imposed  
 32 on the adjusted gross receipts received from gambling games  
 33 authorized under this article at the rate of twenty-two and five-tenths  
 34 percent (22.5%) of the amount of the adjusted gross receipts.

35 (c) The licensed owner shall remit the tax imposed by this chapter  
 36 to the department before the close of the business day following the day  
 37 the wagers are made.

38 (d) The department may require payment under this section to be  
 39 made by electronic funds transfer (as defined in IC 4-8.1-2-7(e)).

40 (e) If the department requires taxes to be remitted under this chapter  
 41 through electronic funds transfer, the department may allow the  
 42 licensed owner to file a monthly report to reconcile the amounts  
 43 remitted to the department.

44 (f) The department may allow taxes remitted under this section to  
 45 be reported on the same form used for taxes paid under IC 4-33-12.

46 SECTION 20. IC 4-33-13-1.5, AS AMENDED BY P.L.233-2007,  
 47 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 48 JULY 1, 2013]: Sec. 1.5. (a) This section applies only to a riverboat  
 49 that has implemented flexible scheduling under IC 4-33-6-21 or  
 50 IC 4-33-6.5.

1           **(b) This subsection applies only to a riverboat that received at**  
2 **least seventy-five million dollars (\$75,000,000) of adjusted gross**  
3 **receipts during the preceding state fiscal year.** A graduated tax is  
4 imposed on the adjusted gross receipts received from gambling games  
5 authorized under this article as follows:

6           (1) Fifteen percent (15%) of the first twenty-five million dollars  
7 (\$25,000,000) of adjusted gross receipts received during the  
8 period beginning July 1 of each year and ending June 30 of the  
9 following year.

10           (2) Twenty percent (20%) of the adjusted gross receipts in excess  
11 of twenty-five million dollars (\$25,000,000) but not exceeding  
12 fifty million dollars (\$50,000,000) received during the period  
13 beginning July 1 of each year and ending June 30 of the following  
14 year.

15           (3) Twenty-five percent (25%) of the adjusted gross receipts in  
16 excess of fifty million dollars (\$50,000,000) but not exceeding  
17 seventy-five million dollars (\$75,000,000) received during the  
18 period beginning July 1 of each year and ending June 30 of the  
19 following year.

20           (4) Thirty percent (30%) of the adjusted gross receipts in excess  
21 of seventy-five million dollars (\$75,000,000) but not exceeding  
22 one hundred fifty million dollars (\$150,000,000) received during  
23 the period beginning July 1 of each year and ending June 30 of  
24 the following year.

25           (5) Thirty-five percent (35%) of all adjusted gross receipts in  
26 excess of one hundred fifty million dollars (\$150,000,000) but not  
27 exceeding six hundred million dollars (\$600,000,000) received  
28 during the period beginning July 1 of each year and ending June  
29 30 of the following year.

30           (6) Forty percent (40%) of all adjusted gross receipts exceeding  
31 six hundred million dollars (\$600,000,000) received during the  
32 period beginning July 1 of each year and ending June 30 of the  
33 following year.

34           **(c) This subsection applies only to a riverboat that received less**  
35 **than seventy-five million dollars (\$75,000,000) of adjusted gross**  
36 **receipts during the preceding state fiscal year. A graduated tax is**  
37 **imposed on the adjusted gross receipts received from gambling**  
38 **games authorized under this article as follows:**

39           (1) Five percent (5%) of the first twenty-five million dollars  
40 (\$25,000,000) of adjusted gross receipts received during the  
41 period beginning July 1 of each year and ending June 30 of  
42 the following year.

43           (2) Twenty percent (20%) of the adjusted gross receipts in  
44 excess of twenty-five million dollars (\$25,000,000) but not  
45 exceeding fifty million dollars (\$50,000,000) received during  
46 the period beginning July 1 of each year and ending June 30  
47 of the following year.

48           (3) Twenty-five percent (25%) of the adjusted gross receipts  
49 in excess of fifty million dollars (\$50,000,000) but not  
50 exceeding seventy-five million dollars (\$75,000,000) received  
51 during the period beginning July 1 of each year and ending

1 **June 30 of the following year.**

2 **(4) Thirty percent (30%) of the adjusted gross receipts in**  
 3 **excess of seventy-five million dollars (\$75,000,000) but not**  
 4 **exceeding one hundred fifty million dollars (\$150,000,000)**  
 5 **received during the period beginning July 1 of each year and**  
 6 **ending June 30 of the following year.**

7 **(5) Thirty-five percent (35%) of all adjusted gross receipts in**  
 8 **excess of one hundred fifty million dollars (\$150,000,000) but**  
 9 **not exceeding six hundred million dollars (\$600,000,000)**  
 10 **received during the period beginning July 1 of each year and**  
 11 **ending June 30 of the following year.**

12 **(6) Forty percent (40%) of all adjusted gross receipts**  
 13 **exceeding six hundred million dollars (\$600,000,000) received**  
 14 **during the period beginning July 1 of each year and ending**  
 15 **June 30 of the following year.**

16 **(d) The licensed owner or operating agent of a riverboat taxed**  
 17 **under subsection (c) shall pay an additional tax of two million five**  
 18 **hundred thousand dollars (\$2,500,000) in any state fiscal year in**  
 19 **which the riverboat's adjusted gross receipts exceed seventy-five**  
 20 **million dollars (\$75,000,000). The additional tax imposed under**  
 21 **this subsection is due before July 1 of the following state fiscal**  
 22 **year.**

23 **(e) (e)** The licensed owner or operating agent shall remit the tax  
 24 imposed by this chapter to the department before the close of the  
 25 business day following the day the wagers are made.

26 **(f) (f)** The department may require payment under this section to be  
 27 made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).

28 **(g) (g)** If the department requires taxes to be remitted under this  
 29 chapter through electronic funds transfer, the department may allow the  
 30 licensed owner or operating agent to file a monthly report to reconcile  
 31 the amounts remitted to the department.

32 **(h) (h)** The department may allow taxes remitted under this section  
 33 to be reported on the same form used for taxes paid under IC 4-33-12.

34 **(i) (i)** If a riverboat implements flexible scheduling during any part  
 35 of a period beginning July 1 of each year and ending June 30 of the  
 36 following year, the tax rate imposed on the adjusted gross receipts  
 37 received while the riverboat implements flexible scheduling shall be  
 38 computed as if the riverboat had engaged in flexible scheduling during  
 39 the entire period beginning July 1 of each year and ending June 30 of  
 40 the following year.

41 **(j) (j)** If a riverboat:

42 (1) implements flexible scheduling during any part of a period  
 43 beginning July 1 of each year and ending June 30 of the following  
 44 year; and

45 (2) before the end of that period ceases to operate the riverboat  
 46 with flexible scheduling;

47 the riverboat shall continue to pay a wagering tax at the tax rates  
 48 imposed under subsection (b) until the end of that period as if the  
 49 riverboat had not ceased to conduct flexible scheduling.

50 SECTION 21. IC 4-33-13-5, AS AMENDED BY P.L.119-2012,  
 51 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 JULY 1, 2013]: Sec. 5. (a) This subsection does not apply to tax  
2 revenue remitted by an operating agent operating a riverboat in a  
3 historic hotel district. After funds are appropriated under section 4 of  
4 this chapter, each month the treasurer of state shall distribute the tax  
5 revenue deposited in the state gaming fund under this chapter to the  
6 following:

7 (1) The first thirty-three million dollars (\$33,000,000) of tax  
8 revenues collected under this chapter shall be set aside for  
9 revenue sharing under subsection (e).

10 (2) Subject to subsection (c), twenty-five percent (25%) of the  
11 remaining tax revenue remitted by each licensed owner shall be  
12 paid:

13 (A) to the city that is designated as the home dock of the  
14 riverboat from which the tax revenue was collected, in the case  
15 of:

16 (i) a city described in IC 4-33-12-6(b)(1)(A); or

17 (ii) a city located in a county having a population of more  
18 than four hundred thousand (400,000) but less than seven  
19 hundred thousand (700,000); or

20 (B) to the county that is designated as the home dock of the  
21 riverboat from which the tax revenue was collected, in the case  
22 of a riverboat whose home dock is not in a city described in  
23 clause (A).

24 (3) Subject to subsection (d), the remainder of the tax revenue  
25 remitted by each licensed owner shall be paid to the state general  
26 fund. In each state fiscal year, the treasurer of state shall make the  
27 transfer required by this subdivision not later than the last  
28 business day of the month in which the tax revenue is remitted to  
29 the state for deposit in the state gaming fund. However, if tax  
30 revenue is received by the state on the last business day in a  
31 month, the treasurer of state may transfer the tax revenue to the  
32 state general fund in the immediately following month.

33 (b) This subsection applies only to tax revenue remitted by an  
34 operating agent operating a riverboat in a historic hotel district. After  
35 funds are appropriated under section 4 of this chapter, each month the  
36 treasurer of state shall distribute the tax revenue remitted by the  
37 operating agent under this chapter as follows:

38 (1) Thirty-seven and one-half percent (37.5%) shall be paid to the  
39 state general fund.

40 (2) Nineteen percent (19%) shall be paid to the West Baden  
41 Springs historic hotel preservation and maintenance fund  
42 established by IC 36-7-11.5-11(b). However, at any time the  
43 balance in that fund exceeds twenty million dollars  
44 (\$20,000,000), the amount described in this subdivision shall be  
45 paid to the state general fund.

46 (3) Eight percent (8%) shall be paid to the Orange County  
47 development commission established under IC 36-7-11.5.

48 (4) Sixteen percent (16%) shall be paid in equal amounts to each  
49 town that is located in the county in which the riverboat is located  
50 and contains a historic hotel. The following apply to taxes

- 1 received by a town under this subdivision:
- 2 (A) At least twenty-five percent (25%) of the taxes must be
- 3 transferred to the school corporation in which the town is
- 4 located.
- 5 (B) At least twelve and five-tenths percent (12.5%) of the
- 6 taxes imposed on adjusted gross receipts received after June
- 7 30, 2010, must be transferred to the Orange County
- 8 development commission established by IC 36-7-11.5-3.5.
- 9 (5) Nine percent (9%) shall be paid to the county treasurer of the
- 10 county in which the riverboat is located. The county treasurer
- 11 shall distribute the money received under this subdivision as
- 12 follows:
- 13 (A) Twenty-two and twenty-five hundredths percent (22.25%)
- 14 shall be quarterly distributed to the county treasurer of a
- 15 county having a population of more than forty thousand
- 16 (40,000) but less than forty-two thousand (42,000) for
- 17 appropriation by the county fiscal body after receiving a
- 18 recommendation from the county executive. The county fiscal
- 19 body for the receiving county shall provide for the distribution
- 20 of the money received under this clause to one (1) or more
- 21 taxing units (as defined in IC 6-1.1-1-21) in the county under
- 22 a formula established by the county fiscal body after receiving
- 23 a recommendation from the county executive.
- 24 (B) Twenty-two and twenty-five hundredths percent (22.25%)
- 25 shall be quarterly distributed to the county treasurer of a
- 26 county having a population of more than ten thousand seven
- 27 hundred (10,700) but less than twelve thousand (12,000) for
- 28 appropriation by the county fiscal body after receiving a
- 29 recommendation from the county executive. The county fiscal
- 30 body for the receiving county shall provide for the distribution
- 31 of the money received under this clause to one (1) or more
- 32 taxing units (as defined in IC 6-1.1-1-21) in the county under
- 33 a formula established by the county fiscal body after receiving
- 34 a recommendation from the county executive.
- 35 (C) Fifty-five and five-tenths percent (55.5%) shall be retained
- 36 by the county in which the riverboat is located for
- 37 appropriation by the county fiscal body after receiving a
- 38 recommendation from the county executive.
- 39 (6) Five percent (5%) shall be paid to a town having a population
- 40 of more than two thousand (2,000) but less than three thousand
- 41 five hundred (3,500) located in a county having a population of
- 42 more than nineteen thousand five hundred (19,500) but less than
- 43 twenty thousand (20,000). At least forty percent (40%) of the
- 44 taxes received by a town under this subdivision must be
- 45 transferred to the school corporation in which the town is located.
- 46 (7) Five percent (5%) shall be paid to a town having a population
- 47 of more than three thousand five hundred (3,500) located in a
- 48 county having a population of more than nineteen thousand five
- 49 hundred (19,500) but less than twenty thousand (20,000). At least
- 50 forty percent (40%) of the taxes received by a town under this

1 subdivision must be transferred to the school corporation in which  
2 the town is located.

3 (8) Five-tenths percent (0.5%) of the taxes imposed on adjusted  
4 gross receipts received after June 30, 2010, shall be paid to the  
5 Indiana economic development corporation established by  
6 IC 5-28-3-1.

7 (c) For each city and county receiving money under subsection  
8 (a)(2), the treasurer of state shall determine the total amount of money  
9 paid by the treasurer of state to the city or county during the state fiscal  
10 year 2002. The amount determined is the base year revenue for the city  
11 or county. The treasurer of state shall certify the base year revenue  
12 determined under this subsection to the city or county. The total  
13 amount of money distributed to a city or county under this section  
14 during a state fiscal year may not exceed the entity's base year revenue.  
15 For each state fiscal year, the treasurer of state shall pay that part of the  
16 riverboat wagering taxes that:

17 (1) exceeds a particular city's or county's base year revenue; and  
18 (2) would otherwise be due to the city or county under this  
19 section;

20 to the state general fund instead of to the city or county.

21 (d) Each state fiscal year the treasurer of state shall transfer from the  
22 tax revenue remitted to the state general fund under subsection (a)(3)  
23 to the build Indiana fund an amount that when added to the following  
24 may not exceed two hundred fifty million dollars (\$250,000,000):

25 (1) Surplus lottery revenues under IC 4-30-17-3.  
26 (2) Surplus revenue from the charity gaming enforcement fund  
27 under IC 4-32.2-7-7.  
28 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

29 The treasurer of state shall make transfers on a monthly basis as needed  
30 to meet the obligations of the build Indiana fund. If in any state fiscal  
31 year insufficient money is transferred to the state general fund under  
32 subsection (a)(3) to comply with this subsection, the treasurer of state  
33 shall reduce the amount transferred to the build Indiana fund to the  
34 amount available in the state general fund from the transfers under  
35 subsection (a)(3) for the state fiscal year.

36 (e) Before August 15 of each year, the treasurer of state shall  
37 distribute the wagering taxes set aside for revenue sharing under  
38 subsection (a)(1) to the county treasurer of each county that does not  
39 have a riverboat according to the ratio that the county's population  
40 bears to the total population of the counties that do not have a  
41 riverboat. Except as provided in subsection (h), the county auditor shall  
42 distribute the money received by the county under this subsection as  
43 follows:

44 (1) To each city located in the county according to the ratio the  
45 city's population bears to the total population of the county.

46 (2) To each town located in the county according to the ratio the  
47 town's population bears to the total population of the county.

48 (3) After the distributions required in subdivisions (1) and (2) are  
49 made, the remainder shall be retained by the county.

50 (f) Money received by a city, town, or county under subsection (e)

- 1 or (h) may be used for any of the following purposes:
- 2 (1) To reduce the property tax levy of the city, town, or county for  
3 a particular year (a property tax reduction under this subdivision  
4 does not reduce the maximum levy of the city, town, or county  
5 under IC 6-1.1-18.5).
- 6 (2) For deposit in a special fund or allocation fund created under  
7 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and  
8 IC 36-7-30 to provide funding for debt repayment.
- 9 (3) To fund sewer and water projects, including storm water  
10 management projects.
- 11 (4) For police and fire pensions.
- 12 (5) To carry out any governmental purpose for which the money  
13 is appropriated by the fiscal body of the city, town, or county.  
14 Money used under this subdivision does not reduce the property  
15 tax levy of the city, town, or county for a particular year or reduce  
16 the maximum levy of the city, town, or county under  
17 IC 6-1.1-18.5.
- 18 (g) This subsection does not apply to an entity receiving money  
19 under IC 4-33-12-6(c). Before September 15 of each year, the treasurer  
20 of state shall determine the total amount of money distributed to an  
21 entity under IC 4-33-12-6 during the preceding state fiscal year. If the  
22 treasurer of state determines that the total amount of money distributed  
23 to an entity under IC 4-33-12-6 during the preceding state fiscal year  
24 was less than the entity's base year revenue (as determined under  
25 IC 4-33-12-6), the treasurer of state shall make a supplemental  
26 distribution to the entity from taxes collected under this chapter and  
27 deposited into the state general fund. ~~Except as provided in subsection~~  
28 ~~(f);~~ The amount of an entity's supplemental distribution is equal to:
- 29 (1) the entity's base year revenue (as determined under  
30 IC 4-33-12-6); minus
- 31 (2) the sum of:
- 32 (A) the total amount of money distributed to the entity during  
33 the preceding state fiscal year under IC 4-33-12-6; plus
- 34 (B) any amounts deducted under IC 6-3.1-20-7.
- 35 (h) This subsection applies only to a county containing a  
36 consolidated city. The county auditor shall distribute the money  
37 received by the county under subsection (e) as follows:
- 38 (1) To each city, other than a consolidated city, located in the  
39 county according to the ratio that the city's population bears to the  
40 total population of the county.
- 41 (2) To each town located in the county according to the ratio that  
42 the town's population bears to the total population of the county.
- 43 (3) After the distributions required in subdivisions (1) and (2) are  
44 made, the remainder shall be paid in equal amounts to the  
45 consolidated city and the county.
- 46 ~~(i) This subsection applies only to the Indiana horse racing~~  
47 ~~commission. For each state fiscal year the amount of the Indiana horse~~  
48 ~~racing commission's supplemental distribution under subsection (g)~~  
49 ~~must be reduced by the amount required to comply with~~  
50 ~~IC 4-33-12-7(a).~~

1 SECTION 22. IC 4-33-13-7 IS ADDED TO THE INDIANA CODE  
 2 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
 3 **UPON PASSAGE]: Sec. 7. (a) This section applies to adjusted gross**  
 4 **receipts from wagering on gambling games that occurs:**

5 (1) **after the effective date of this section, as added by SEA**  
 6 **528-2013; but**

7 (2) **before July 1, 2016.**

8 (b) **As used in this section, "qualified wagering" refers to**  
 9 **wagers made by patrons using noncashable vouchers, coupons,**  
 10 **electronic credits, or electronic promotions provided by the**  
 11 **licensed owner or operating agent.**

12 (c) **Subject to subsection (d), a licensed owner or operating**  
 13 **agent may at any time during a state fiscal year deduct from the**  
 14 **adjusted gross receipts reported by the licensed owner or operating**  
 15 **agent adjusted gross receipts attributable to qualified wagering. A**  
 16 **licensed owner or operating agent must take a deduction under this**  
 17 **section on a form and in the manner prescribed by the department.**

18 (d) **A licensed owner or operating agent may not deduct more**  
 19 **than the following amounts in a particular state fiscal year:**

20 (1) **Two million five hundred thousand dollars (\$2,500,000) in**  
 21 **a state fiscal year ending before July 1, 2013.**

22 (2) **Five million dollars (\$5,000,000) in a state fiscal year**  
 23 **beginning after June 30, 2013, and ending before July 1, 2016.**

24 SECTION 23. IC 4-33-21-7, AS ADDED BY P.L.142-2009,  
 25 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 JULY 1, 2013]: Sec. 7. (a) A trustee acting under the authority of this  
 27 chapter must fulfill the trustee's duties as a fiduciary for the owner of  
 28 the riverboat. In addition, the trustee shall consider the effect of the  
 29 trustee's actions upon:

30 (1) the amount of taxes remitted by the trustee under IC 4-33-12  
 31 and IC 4-33-13;

32 (2) ~~the riverboat's dock city or~~ **and county in which the riverboat**  
 33 **is located;**

34 (3) the riverboat's employees; and

35 (4) the creditors of the owner of the riverboat.

36 (b) In balancing the interests described in subsection (a), a trustee  
 37 shall conduct gambling operations on the riverboat in a manner that  
 38 enhances the credibility and integrity of riverboat gambling in Indiana  
 39 while minimizing disruptions to tax revenues, incentive payments,  
 40 employment, and credit obligations.

41 SECTION 24. IC 4-33-23-10, AS ADDED BY P.L.82-2011,  
 42 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 43 UPON PASSAGE]: Sec. 10. (a) A development provider shall report  
 44 annually to the commission the following:

45 (1) the total dollar amounts of economic development payments;

46 (2) the parties or specified recipients, or both, that receive  
 47 economic development payments; and

48 (3) any other items related to an economic development payment  
 49 that the commission may require.

50 (b) A specified recipient of an economic development payment shall  
 51 report annually to the commission an accounting of:

- 1 (1) any economic development payment received by the recipient;  
 2 and  
 3 (2) any disbursements of economic development payment money  
 4 that the recipient makes to:  
 5 (A) another specified recipient; or  
 6 (B) an unspecified recipient.
- 7 (c) A report submitted under subsection (b) must include:  
 8 (1) the legal name of the person submitting the report;  
 9 (2) the date, amount, and purpose of each disbursement;  
 10 (3) the name of each specified or unspecified recipient receiving  
 11 a disbursement; and  
 12 (4) any other information that the commission may require.
- 13 (d) Upon request of the commission, a person submitting a report  
 14 under subsection (a) or (b) shall attach to the report sufficient  
 15 documentation to support a transaction described in the report.
- 16 (e) A report submitted under subsection (a) or (b) must be  
 17 **submitted to the department of local government finance and** made  
 18 available electronically through the ~~computer gateway administered by~~  
 19 ~~the office of technology established by IC 4-13.1-2-1.~~ **Indiana**  
 20 **transparency Internet web site established under IC 5-14-3.7.**
- 21 (f) The commission may require, with respect to a report required  
 22 by this section:  
 23 (1) the format of the report;  
 24 (2) the deadline by which the report must be filed; and  
 25 (3) the manner in which the report must be maintained and filed.
- 26 SECTION 25. IC 4-33-23-17 IS ADDED TO THE INDIANA  
 27 CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE UPON PASSAGE]: **Sec. 17. (a) Any political**  
 28 **subdivision receiving an economic development payment shall**  
 29 **annually report the following information to the department of**  
 30 **local government finance:**  
 31 (1) **The total amount of economic development payments**  
 32 **received in the previous state fiscal year.**  
 33 (2) **The balance of the fund in which the political subdivision**  
 34 **deposited the economic development payments under section**  
 35 **13 of this chapter as of the end of the previous state fiscal**  
 36 **year.**  
 37 (b) **A political subdivision shall submit the report required by**  
 38 **subsection (a) to the department of local government finance**  
 39 **before October 1 of each year.**  
 40 (c) **The department of local government finance shall make the**  
 41 **report available electronically through the Indiana transparency**  
 42 **Internet web site established under IC 5-14-3.7.**
- 44 SECTION 26. IC 4-35-2-2.3 IS ADDED TO THE INDIANA CODE  
 45 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE  
 46 UPON PASSAGE]: **Sec. 2.3. "Approved limited mobile gaming**  
 47 **system" means a limited mobile gaming system approved by the**  
 48 **commission under IC 4-35-7-1.5.**
- 49 SECTION 27. IC 4-35-2-5, AS ADDED BY P.L.233-2007,  
 50 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 51 UPON PASSAGE]: **Sec. 5. "Gambling game" means either of the**

1 following:

2 (1) A game played on a slot machine approved for wagering under  
3 this article by the commission.

4 (2) **A game played on a slot machine through the use of a  
5 mobile gaming device approved under this article.**

6 SECTION 28. IC 4-35-2-7.5 IS ADDED TO THE INDIANA CODE  
7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
8 UPON PASSAGE]: **Sec. 7.5. "Limited mobile gaming system"**  
9 **refers to a system that enables a licensee to accept wagers through**  
10 **the use of mobile gaming devices approved under this article.**

11 SECTION 29. IC 4-35-2-7.7 IS ADDED TO THE INDIANA CODE  
12 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
13 UPON PASSAGE]: **Sec. 7.7. "Mobile gaming device" means an**  
14 **electronic device, including software, that does the following:**

15 (1) **Displays information related to a gambling game.**

16 (2) **Enables a patron to place a wager on a gambling game**  
17 **from an approved location using money placed into a deposit**  
18 **account maintained under the rules of the commission.**

19 SECTION 30. IC 4-35-2-10, AS ADDED BY P.L.233-2007,  
20 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
21 UPON PASSAGE]: **Sec. 10. "Supplier's license" means a license issued**  
22 **under ~~IC 4-35-6:~~ IC 4-33-7.**

23 SECTION 31. IC 4-35-4-7, AS ADDED BY P.L.233-2007,  
24 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
25 UPON PASSAGE]: **Sec. 7. (a) The commission shall adopt standards**  
26 **for the licensing of the following:**

27 (1) **Persons regulated under this article.**

28 (2) **Slot machines used in gambling games.**

29 (3) **Limited mobile gaming systems and mobile gaming**  
30 **devices.**

31 (b) **Where applicable, 68 IAC applies to racetracks conducting**  
32 **gambling games under this article.**

33 SECTION 32. IC 4-35-6-1, AS AMENDED BY P.L.142-2009,  
34 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
35 UPON PASSAGE]: **Sec. 1. (a) Before July 1, 2009, the commission**  
36 **may issue a supplier's license under this chapter to a person if:**

37 (1) **the person has:**

38 (A) **applied for the supplier's license;**

39 (B) **paid a nonrefundable application fee set by the**  
40 **commission;**

41 (C) **paid a five thousand dollar (\$5,000) annual supplier's**  
42 **license fee; and**

43 (D) **submitted, on forms provided by the commission, two (2)**  
44 **sets of:**

45 (i) **the individual's fingerprints, if the applicant is an**  
46 **individual; or**

47 (ii) **fingerprints for each officer and director of the applicant,**  
48 **if the applicant is not an individual; and**

49 (2) **the commission has determined that the applicant is eligible**  
50 **for a supplier's license.**

51 (b) **Each license issued under this chapter is terminated on July 1;**

1 ~~2009.~~

2 (c) ~~After June 30, 2009~~; A person may not:

- 3 (1) sell;  
 4 (2) lease; or  
 5 (3) contract to sell or lease;

6 a slot machine, **limited mobile gaming system, or mobile gaming**  
 7 **device** to a licensee unless the person holds a supplier's license  
 8 originally issued under IC 4-33-7-1 or renewed under IC 4-33-7-8.

9 SECTION 33. IC 4-35-7-1.5 IS ADDED TO THE INDIANA CODE  
 10 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE  
 11 UPON PASSAGE]: **Sec. 1.5. (a) A licensee may request approval**  
 12 **from the commission to use a limited mobile gaming system in the**  
 13 **gambling operations of the licensee.**

14 **(b) The commission may approve the use of a limited mobile**  
 15 **gaming system to allow a patron to wager on gambling games**  
 16 **while present in the gaming area (as defined under the rules of the**  
 17 **commission) of a slot machine facility licensed under this article.**  
 18 **A patron may not transmit a wager using a mobile gaming device**  
 19 **while present in any other location.**

20 SECTION 34. IC 4-35-7-6, AS ADDED BY P.L.233-2007,  
 21 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 UPON PASSAGE]: Sec. 6. A slot machine may be purchased or leased  
 23 only from a supplier licensed under ~~this article.~~ **IC 4-33-7.**

24 SECTION 35. IC 4-35-7-9, AS ADDED BY P.L.233-2007,  
 25 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 UPON PASSAGE]: Sec. 9. (a) A patron may make a slot machine  
 27 wager at a racetrack only by means of:

- 28 (1) a token or an electronic card, ~~purchased~~ **acquired** from a  
 29 licensee at the licensee's racetrack; or  
 30 (2) money or other negotiable currency.

31 (b) A token or an electronic card may be ~~purchased~~ **acquired** by  
 32 means of an agreement under which a licensee extends credit to the  
 33 patron.

- 34 (c) All winnings and payoffs from a slot machine at a racetrack:  
 35 (1) shall be made in tokens, electronic cards, paper tickets, or  
 36 other evidence of winnings and payoffs approved by the  
 37 commission; and  
 38 (2) may not be made in money or other negotiable currency.

39 SECTION 36. IC 4-35-8-5 IS ADDED TO THE INDIANA CODE  
 40 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE  
 41 UPON PASSAGE]: **Sec. 5. (a) This section applies to adjusted gross**  
 42 **receipts from wagering on gambling games that occurs:**

- 43 **(1) after the effective date of this section, as added by SEA**  
 44 **528-2013; but**  
 45 **(2) before July 1, 2016.**

46 **(b) As used in this section, "qualified wagering" refers to**  
 47 **wagers made by patrons using noncashable vouchers, coupons,**  
 48 **electronic credits, or electronic promotions provided by the**  
 49 **licensee.**

50 **(c) Subject to subsection (d), a licensee may at any time during**  
 51 **the state fiscal year deduct from the adjusted gross receipts**

1 reported by the licensee the adjusted gross receipts attributable to  
2 qualified wagering. A licensee must take a deduction under this  
3 section on a form and in the manner prescribed by the department.

4 (d) A licensee may not deduct more than the following amounts  
5 in a particular state fiscal year:

6 (1) Two million five hundred thousand dollars (\$2,500,000) in  
7 a state fiscal year ending before July 1, 2013.

8 (2) Five million dollars (\$5,000,000) in a state fiscal year  
9 beginning after June 30, 2013, and ending before July 1, 2016.

10 (e) Deductions under this section also apply to a licensee's  
11 adjusted gross receipts for purposes of the following statutes:

12 (1) IC 4-35-7-12.

13 (2) IC 4-35-8.5.

14 (3) IC 4-35-8.9.

15 SECTION 37. IC 5-14-3.8-3, AS ADDED BY P.L.172-2011,  
16 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 UPON PASSAGE]: Sec. 3. (a) The department, working with the office  
18 of technology established by IC 4-13.1-2-1, or another organization that  
19 is part of a state educational institution, the office of management and  
20 budget established by IC 4-3-22-3, and the state board of accounts  
21 established by IC 5-11-1-1, shall post on the Indiana transparency  
22 Internet web site the following:

23 (1) The financial reports required by IC 5-11-1-4.

24 (2) The report on expenditures per capita prepared under  
25 IC 6-1.1-33.5-7.

26 (3) A listing of the property tax rates certified by the department.

27 (4) An index of audit reports prepared by the state board of  
28 accounts.

29 (5) Local development agreement reports prepared under  
30 IC 4-33-23-10 and IC 4-33-23-17.

31 (5)(6) Any other financial information deemed appropriate by the  
32 department.

33 SECTION 38. [EFFECTIVE JULY 1, 2013] (a) IC 4-33-13-1.5, as  
34 amended by this act, applies to adjusted gross receipts received  
35 from wagering on gambling games after June 30, 2013.

36 (b) This SECTION expires July 1, 2014.

37 SECTION 39. [EFFECTIVE JULY 1, 2013] (a) As used in this  
38 SECTION, "commission" refers to the Indiana gaming  
39 commission.

40 (b) The commission shall conduct a study regarding the use of  
41 complimentary promotional credit programs by persons licensed  
42 under IC 4-33 and IC 4-35. The commission shall study the impact  
43 of complimentary credit programs on state gaming revenues.

44 (c) The commission shall present its findings and  
45 recommendations, if any, to the budget committee before  
46 November 1, 2015.

47 (d) This SECTION expires January 1, 2016.

48 SECTION 40. An emergency is declared for this act.

(Reference is to ESB 528 as printed April 9, 2013.)

**Conference Committee Report**  
**on**  
**Engrossed Senate Bill 528**

**S**igned by:

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Senator Boots  
Chairperson

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Representative Davis

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Senator Hume

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Representative Messmer

**Senate Conferees**

**House Conferees**