



General Assembly

February Session, 2002

**Raised Bill No. 5295**

LCO No. 577

Referred to Committee on Public Safety

Introduced by:  
(PS)

**AN ACT CONCERNING TAX REBATES FOR LICENSEES  
CONDUCTING JAI ALAI OR DOG RACING EVENTS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (m) of section 12-575 of the general statutes, as  
2 amended by section 87 of public act 01-9 of the June special session, is  
3 repealed and the following is substituted in lieu thereof (*Effective upon*  
4 *passage*):

5 (m) (1) The executive director shall pay each municipality in which  
6 a horse race track is located, one-quarter of one per cent of the total  
7 money wagered on horse racing events at such race track, except the  
8 executive director shall pay each such municipality having a  
9 population in excess of fifty thousand one per cent of the total money  
10 wagered at such horse racing events in such municipality. The  
11 executive director shall pay each municipality in which a jai alai  
12 fronton or dog race track is located one-half of one per cent of the total  
13 money wagered on jai alai games or dog racing events at such fronton  
14 or dog race track, except the executive director shall pay each such  
15 municipality having a population in excess of fifty thousand one per

16 cent of the total money wagered on jai alai games or dog racing events  
17 at such fronton or dog race track located in such municipality. The  
18 executive director shall pay each municipality in which an off-track  
19 betting facility is located one and three-fifths per cent of the total  
20 money wagered in such facility less amounts paid as refunds or for  
21 cancellations. The executive director shall pay to both the city of New  
22 Haven and the town of Windsor Locks an additional one-half of one  
23 per cent of the total money wagered less any amount paid as a refund  
24 or a cancellation in any facility equipped with screens for simulcasting  
25 after October 1, 1997, located within a fifteen mile radius of facilities in  
26 New Haven and Windsor Locks. Payment shall be made not less than  
27 four times a year and not more than twelve times a year as determined  
28 by the executive director, and shall be made from the tax imposed  
29 pursuant to subsection (d) of this section for horse racing, subsection  
30 (e) of this section for dog racing, subsection (f) of this section for jai alai  
31 games and subsection (g) of this section for off-track betting. (2) If, for  
32 any calendar year after the surrender of a license to conduct jai alai  
33 events by any person or business organization pursuant to subsection  
34 (c) of section 12-574c and prior to the opening of any dog race track by  
35 such person or business organization, any other person or business  
36 organization licensed to conduct jai alai events is authorized to  
37 conduct a number of performances greater than the number  
38 authorized for such licensee in the previous calendar year, the  
39 executive director shall pay the municipality in which the jai alai  
40 fronton for which such license was surrendered was located, rather  
41 than the municipality in which the jai alai fronton conducting the  
42 increased performances is located, one-half of one per cent of the total  
43 money wagered on jai alai games for such increased performances at  
44 the fronton which conducted the additional performances, except the  
45 executive director shall pay each such municipality having a  
46 population in excess of fifty thousand one per cent of the total money  
47 wagered on jai alai games for such increased performances at such  
48 fronton. (3) During any state fiscal year ending on or after June 30,  
49 1993, the executive director shall pay each municipality in which a dog

50 race track was operating prior to July 5, 1991, one per cent of the total  
51 money wagered on dog racing events at such dog race track. (4)  
52 During the state fiscal year ending June 30, 2001, each municipality in  
53 which a dog race track was operating prior to July 5, 1991, shall pay  
54 the Northeast Connecticut Economic Alliance, Inc. two-tenths of one  
55 per cent of the total money wagered on dog racing events at any dog  
56 race track operating prior to July 5, 1991. (5) [In the event a licensee  
57 incurs a loss from the operation of a pari-mutuel facility, as  
58 determined by the executive director, the legislative body of the city or  
59 town in which such facility is located may direct the executive director  
60 to credit or rebate all or a part of the revenue otherwise due to the  
61 municipality back to the facility. In no case shall such credit and such  
62 reimbursement exceed the amount of the licensee's loss, and in no  
63 fiscal year shall these provisions affect the total fees paid to the state by  
64 the authorized operator of the off-track betting system on its off-track  
65 betting activities.] Notwithstanding the provisions of subsections (e) to  
66 (h), inclusive, of this section, in the event a licensee conducting jai alai  
67 or dog racing events incurs a financial loss from the operation of a jai  
68 alai fronton or dog track, as determined by the executive director, the  
69 legislative body of the city or town in which such facility is located  
70 may direct the executive director to rebate to such licensee all or part  
71 of the revenue otherwise due to the municipality from the taxes  
72 imposed under subsections (e) to (g), inclusive, of this section. In no  
73 case shall such rebate exceed the amount of the loss incurred from the  
74 operation of such jai alai fronton or dog track, as determined by the  
75 executive director.

This act shall take effect as follows:	
Section 1	<i>upon passage</i>

**Statement of Purpose:**

To clarify that any tax rebate made to a licensee conducting jai alai or dog racing events may be based upon both on-track and off-track activity.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*