

SENATE BILL REPORT

SB 6668

As Passed Senate, February 16, 1998

Title: An act relating to tax deferrals for new thoroughbred race tracks.

Brief Description: Extending tax deferrals for new thoroughbred race tracks.

Sponsors: Senators Heavey, Schow, Anderson, West, T. Sheldon, Rasmussen, Strannigan and Johnson.

Brief History:

Committee Activity: Commerce & Labor: 1/28/98, 2/2/98 [DP].

Ways & Means: 2/10/98 [DP].

Passed Senate, 2/16/98, 39-8.

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Schow, Chair; Horn, Vice Chair; Anderson, Heavey and Newhouse.

Staff: Traci Ratzliff (786-7452)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators West, Chair; Deccio, Vice Chair; Bauer, Hochstatter, Kohl, Loveland, McDonald, Rossi, Schow, B. Sheldon, Snyder, Spanel, Swecker and Winsley.

Staff: David Schumacher (786-7474)

Background: In 1995, the Legislature provided a sales and use tax deferral for the materials, equipment and labor used to construct or equip the new thoroughbred horse racing facility, Emerald Downs. The taxes are deferred, interest free, for a five-year period of time. The taxes are required to be repaid over a ten-year period. Repayment of the tax is scheduled to begin on December 31, 2001.

Summary of Bill: The date on which the repayment of the deferred sales and use taxes for the construction of the new thoroughbred horse racing facility begins, is extended by five years to December 31, 2006.

Appropriation: None.

Fiscal Note: Requested on January 26, 1998.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill will extend the time period on the repayment of the tax deferral and give Emerald Downs the time it needs to get on solid footing financially.

Testimony Against: None.

Testified: Jim Halstrom and Ron Crockett, Emerald Racing Association.