

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 2192**

Chapter 27, Laws of 2003

58th Legislature  
2003 1st Special Session

PARIMUTUEL TAXATION

EFFECTIVE DATE: 1/1/04

Passed by the House June 4, 2003  
Yeas 87 Nays 5

FRANK CHOPP

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**Speaker of the House of Representatives**

Passed by the Senate June 5, 2003  
Yeas 39 Nays 9

BRAD OWEN

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**President of the Senate**

Approved June 26, 2003.

GARY LOCKE

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**Governor of the State of Washington**

CERTIFICATE

I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2192** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER

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**Chief Clerk**

FILED

June 26, 2003 - 10:06 a.m.

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 2192**

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Passed Legislature - 2003 1st Special Session

**State of Washington                      58th Legislature                      2003 Regular Session**

**By** House Committee on Finance (originally sponsored by  
Representatives Cody and Clements)

READ FIRST TIME 04/18/03.

1            AN ACT Relating to parimutuel taxation; amending RCW 67.16.105; and  
2 providing an effective date.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 67.16.105 and 1998 c 345 s 6 are each amended to read  
5 as follows:

6            (1) Licensees of race meets that are nonprofit in nature and are of  
7 ten days or less shall be exempt from payment of a parimutuel tax.

8            (2) Licensees that do not fall under subsection (1) of this section  
9 shall withhold and pay to the commission daily for each authorized day  
10 of parimutuel wagering the following applicable percentage of all daily  
11 gross receipts from its in-state parimutuel machines:

12            (a) If the gross receipts of all its in-state parimutuel machines  
13 are more than fifty million dollars in the previous calendar year, the  
14 licensee shall withhold and pay to the commission daily 1.30 percent of  
15 the daily gross receipts; and

16            (b) If the gross receipts of all its in-state parimutuel machines  
17 are fifty million dollars or less in the previous calendar year, the  
18 licensee shall withhold and pay to the commission daily (~~(0.52)~~) 1.803  
19 percent of the daily gross receipts.

1 (3) In addition to those amounts in subsection (2) of this section,  
2 a licensee shall forward one-tenth of one percent of the daily gross  
3 receipts of all its in-state parimutuel machines to the commission for  
4 payment to those nonprofit race meets as set forth in RCW 67.16.130 and  
5 subsection (1) of this section, but said percentage shall not be  
6 charged against the licensee. Payments to nonprofit race meets under  
7 this subsection shall be distributed on a pro rata per-race-day basis  
8 and used only for purses at race tracks that have been operating under  
9 RCW 67.16.130 and subsection (1) of this section for the five  
10 consecutive years immediately preceding the year of payment. The  
11 commission shall transfer funds generated under subsection (2) of this  
12 section equal to the difference between funds collected under this  
13 subsection (3) in a calendar year and three hundred thousand dollars,  
14 and distribute that amount under this subsection (3).

15 (4) Beginning July 1, 1999, at the conclusion of each authorized  
16 race meet, the commission shall calculate the mathematical average  
17 daily gross receipts of parimutuel wagering that is conducted only at  
18 the physical location of the live race meet at those race meets of  
19 licensees with gross receipts of all their in-state parimutuel machines  
20 of more than fifty million dollars. Such calculation shall include  
21 only the gross parimutuel receipts from wagering occurring on live  
22 racing dates, including live racing receipts and receipts derived from  
23 one simulcast race card that is conducted only at the physical location  
24 of the live racing meet, which, for the purposes of this subsection, is  
25 "the handle." If the calculation exceeds eight hundred eighty-six  
26 thousand dollars, the licensee shall within ten days of receipt of  
27 written notification by the commission forward to the commission a sum  
28 equal to the product obtained by multiplying 0.6 percent by the handle.  
29 Sums collected by the commission under this subsection shall be  
30 forwarded on the next business day following receipt thereof to the  
31 state treasurer to be deposited in the fair fund created in RCW  
32 15.76.115.

33 NEW SECTION. **Sec. 2.** This act takes effect January 1, 2004.  
Passed by the House June 4, 2003.  
Passed by the Senate June 5, 2003.  
Approved by the Governor June 26, 2003.  
Filed in Office of Secretary of State June 26, 2003.