

HB 607

PARI-MUTUEL TAX



PUBLIC PROTECTION
CABINET

Kentucky Horse Racing Commission

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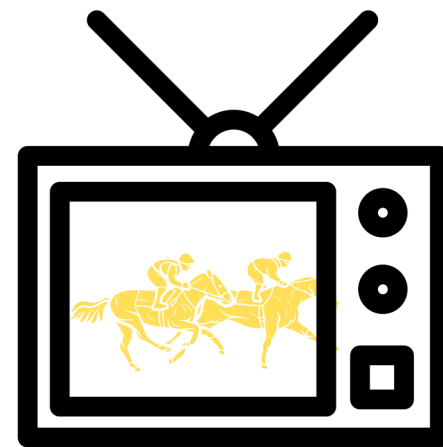
Racing and Wagering in KY



1

Live Wagers

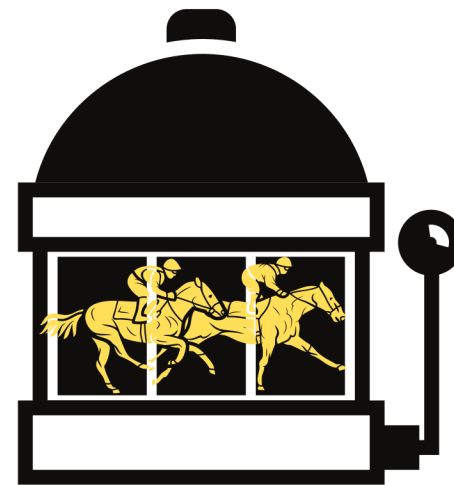
9 Racetracks



2

Simulcast Wagers

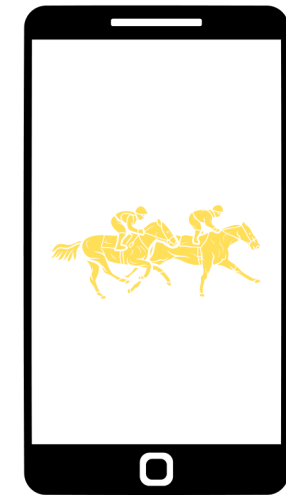
11 Locations



3

HHR Wagers

10 Locations

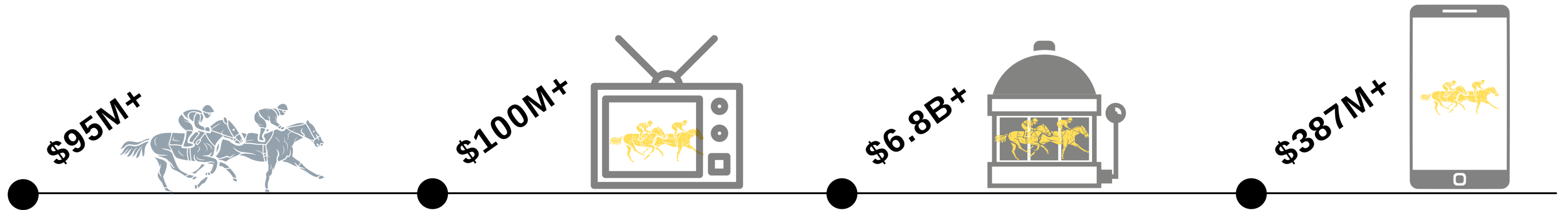


4

ADW Wagers

8 Operators

FY22 Wagers and Excise Tax



TAX RECEIPTS

LIVE

\$500k+ General Fund and other restricted funds

\$800k+ Development Funds

SIMULCAST

\$782k+ General Fund and other restricted funds

\$3.9M+ Development Funds

HHR

\$48M+ General Fund and other restricted funds

\$53M+ Development Funds

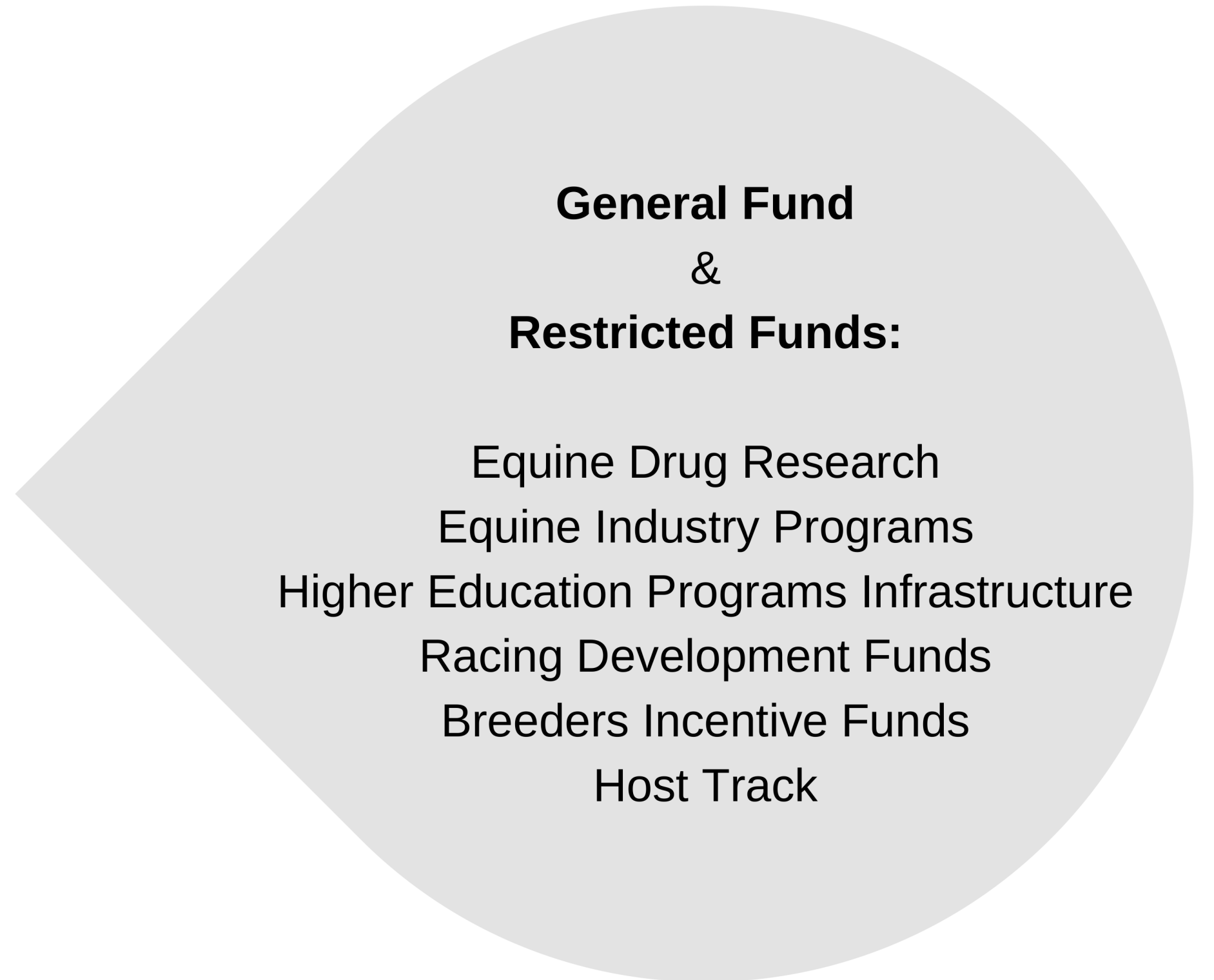
ADW

\$300k+ General Fund

\$1.6M+ Host Track

Tax Rate Comparison

	Previous	Current
Live	1.50%	1.50%
Simulcast	3.0%	1.50%
HHR	1.50%	1.50%
ADW	0.50%	1.50%



HB 607 Tax Rates Detailed	Live, On-Track	Simulcast, On-Track	HHR, On-Track	ADW
HB 607 Excise Tax Rate	1.50%	1.50%	1.50%	1.50%
Thoroughbred Development	0.75%/0.40%	1.0%	0.75%/0.40%	--
Standardbred Development	1.0%/0.40%	1.0%	1.0%/0.40%	--
Quarter Horse+ Development	1.0%	1.0%	1.0%	--
Equine Industry Programs	0.20%	0.20%	\$1,500,000	--
Equine Drug Research	0.10%	0.05%	\$320,000	--
Higher Education Programs	0.10%	0.05%	\$320,000	--
Breeders Incentives	--	--	\$500,000	--
Host Tracks	--	--	--	1.275%
General Fund	~0.35%	0.20%	~0.67%	0.225%

*Note that these rates are and may differ from statutory language; refer to KRS 138.510 for exact rates

Other Important Changes

Effective August 1, 2022

- Kentucky Thoroughbred Fund will be capped at \$45M within a fiscal year from live and HHR wagering at Thoroughbred tracks
- Kentucky Standardbred Development Fund will be capped at \$20M within a fiscal year from live wagering at harness tracks and a separate \$20M threshold from HHR wagering at harness tracks
- Equine Industry Program has been expanded to include the University of Kentucky and Bluegrass Community and Technical College - capped at \$1.5M from HHR wagering
- Breeders Incentive Funds will receive \$500k from HHR wagering

Tax Receipts	FY 2018	FY 2020	FY 2022	HB 607 Rate*
Excise Tax	\$23.5M	\$38.3M	\$108M	\$111M
KTDF	\$10.3M	\$17.3M	\$45.2M	\$44.5M
KSDF	\$1.5M	\$1.8M	\$10.8M	\$10.8M
KQHDF	\$17k	\$7.5k	\$10k	\$5k
Equine Industry Programs	\$931k	\$764k	\$880k	\$1.7M
Equine Drug Research	\$555k	\$435k	\$490k	\$490k
Higher Education Programs	\$555k	\$435k	\$490k	\$490k
Breeders Incentives	--	--	--	\$500k
Host Tracks	\$1M	\$1.2M	\$1.6M	\$4.8M
General Fund	\$8M	\$16M	\$48.3M	\$48.8M

*Note that this column represents receipts from the new rate based on FY22 wagers

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